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LIFE INSURANCE EDITION

Thirty-Second Year No. 33

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SUPERINTENDENT BEHA ASKS RECONSIDERATION

New York Department Issues Appeal to Agents State-Wide—Change of View Sought

APPROVAL IS WITHHELD

Producers Not Yet Convinced That Proposed Amendments to Section 97 Would Not Injure Them

NEW YORK, Aug. 16.—Another state-wide appeal for consideration of the proposed amendment to Section 97 of the New York life insurance laws was sent out Tuesday by Superintendent Beha of the New York department, calling on all local associations in the state to reconsider their objections, which have been deep voiced. Following three conferences between the department, the committee of actuaries and the special committee of agents, headed by Julian S. Myrick of New York, it is apparent that the agents have not as yet been able to give their approval to the changes urged by Mr. Beha and the insurance department. The lengthy brief recently published by the agents is answered in detail by Mr. Beha, with additional appeal for thoughtful consideration.

Mr. Beha, in his letter to the agents, sums up the progress of the consideration of the proposed legislation. Quoting from the hearings held, correspondence received and discussions in the trade press, he again presents his case and urges its endorsement by the agents. He points out that it would be a matter of concern if the underwriters should, unfortunately, be placed in the position of opposing legislation formulated for the benefit of the life insurance business and of the public generally and which at the same time would benefit the life underwriters in the long run.

Matter Three Years Old

This controversy, which has been the most important life insurance activity of the past year in New York, was first encountered nearly three years ago, but it is only in the past few months that it has become an issue of first importance. As early as 1925, before the department had formulated any proposed legislation, resolutions against the revision of Section 97 were adopted by the New York State Association of Life Underwriters and eight local associations. Since that time practically all of the local units in the state have taken similar action and the agents have been active at all of the public hearings held in the past six months. A detailed brief was prepared outlining numerous objections to the proposed changes. These are now answered individually by Mr. Beha.

Violation Disclaimed

It is first pointed out by the superintendent that the fundamental principle of Section 97 is not violated by the changes, as suggested by the agents, but

PRODUCTION FOR FIRST SIX MONTHS INCREASES

JULY BUSINESS DECREASES

Gain for First Half of This Year Is 6.7 Percent Over Same Period of Last Year

NEW YORK, Aug. 16.—New life insurance production during the first seven months of this year was 6.7 percent ahead of the corresponding period of 1927, according to figures published this week by the Association of Life Insurance Presidents.

July business was 3.4 percent ahead of last July. The seven-month total of all classes was \$7,165,261,000, compared with \$6,712,808,000 in the same months of 1927 and \$6,598,939,000 in 1926. July production of all classes was \$923,969,000, which was 3.4 percent greater than the July, 1927 total of \$893,930,000, but slightly under the July, 1926, total of \$931,002,000.

Ordinary Makes Gain

For the first seven months of this year, new ordinary business amounted to \$4,896,136,000, against \$4,728,732,000 during the corresponding period of last year, a gain of 3.5 percent. New industrial business was \$1,617,684,000, against \$1,525,766,000, a gain of 6 percent. New group business was \$651,441,000 against \$458,310,000, a gain of 42 percent.

For July, new ordinary business amounted to \$655,131,000 against \$638,866,000 in July, 1927, a gain of 2.5 percent. New industrial business was \$194,642,000, against \$200,835,000, a decrease of 3.1 percent. New group business was \$74,196,000, against \$54,229,000, a gain of 36.8 percent.

July is the first month this year to fall behind the production of the corresponding month of either 1927 or 1926.

rather is strengthened. Mr. Beha states that the agents apparently take the measure of acquisition expense as the fundamental principle, whereas it is actually the fact of regulation—and this is the basis of the proposed changes. He also points out that the amendment does not propose radical changes in the law, as the brief would indicate, but merely readjusts present conditions to meet the meaning of the law. The chief change is to bring within the law certain forms of acquisition expense which are not now regulated. The other chief change is in the basis of measuring first-year expense, taking into consideration mortality savings and using the mortality table which more truly reflects modern experience. In this connection, the viewpoint of company actuaries is cited, for even those who 10 years ago voiced strenuous objection to this new mortality table are now favoring its permissive use.

Another of the objections voiced by the agents was that the changes would result in reduced commissions to agents. Mr. Beha cites the answers to three questionnaires sent out by the department, the last on May 25 this year, all of which indicate that the proposed legislation would make practically no change in the commission schedules

DAVIS REGARDED AS FUTURE PRESIDENT

WILL BE PROMINENT LEADER

New Penn Mutual General Agent Recognized by National Association of Life Underwriters Leaders

NEW YORK, Aug. 16.—The announcement that Frank H. Davis, former agency vice-president of the Equitable Life of New York, is to go to Chicago to become general agent of the Penn Mutual Life to succeed Alexander E. Patterson, who will be given another post in the Penn Mutual organization, caused much comment here in this city. Mr. Davis' qualities as an agency leader are recognized on all hands. Some of the men high up in the National Association of Life Underwriters immediately struck on Mr. Davis as a potential candidate for president of the organization. It was brought out, however, that he does not take his seat until Oct. 1, and the convention will be held in Detroit in September. That would seem to eliminate Mr. Davis as a candidate for this year at least.

Is President in the Making

Inasmuch as he is just taking his seat he might not desire to become head of the great organization at once although he is in sympathy with its efforts. Undoubtedly Mr. Davis will be in the running sometime in the future. He is regarded as splendid timber for work in the National Association of Life Underwriters. Agency leaders here did not hesitate to say that Mr. Davis will bring to the National association enthusiasm, ability and resourcefulness that will mean something. It seems that the Chicago people, according to reports here, have pretty definitely set their hearts on getting S. T. Whatley, the distinguished and able manager of the Aetna Life, in running for the national presidency in 1929. That may interfere with the plans to elevate Mr. Davis for a few years at least. Whatever may be decided, Chicago has some presidential talent of the highest order. When men like Mr. Whatley, Frank H. Davis, Darby A. Day and others are conspicuous in the big western city, the National Association of Life Underwriters can count on their support and leadership.

now in operation based on 1926 and 1927 experience, the companies reported that agency contracts in practically all cases would remain as they are. Since meeting with the agents' committee, the department has revised its proposed amendment in one regard, withdrawing its recommendation to reduce the collection fee after the 15th policy year, leaving it at 3 percent, as heretofore.

Need for Legislation Stressed

Need for some such legislation as that proposed is again stressed by Mr. Beha, by reference to numerous recent remarks of outstanding company officials and actuaries. He states that a rating law is dangerous, if proper means of keeping down acquisition expenses are not available. He refers to the

(CONTINUED ON PAGE 26)

INTERNATIONAL LIFE IS DECLARED INSOLVENT

Examiners Representing Eight States Make Exhaustive Survey and Present Their Report

FUNDS ARE MISHANDLED

"Condition Is Hazardous to Public," According to Investigators—Prompt Action Is Advised

ST. LOUIS, Aug. 16.—Receivership for the Toombs & Daily Company, Chicago investment house headed by Roy C. Toombs, president of the International Life of St. Louis, was ordered on Tuesday by William N. Gemmill, judge in the Superior Court, Chicago. Receivership was granted on petition of Clarence A. Stelle, vice-president of Toombs & Daily, who charges Toombs with fraud in the International Life deal, which resulted in depletion of the Toombs & Daily assets. Judge Gemmill appointed the Foreman Trust & Savings bank to take charge of the investment company.

Writ of habeas corpus for Toombs was sued for by Attorney Eugene McGarry before Judge Kavanaugh in Chicago. Toombs is at liberty on \$11,000 bond following his arrest late last week. Although he is reported to have left for St. Louis, it is believed he is still in Chicago. McGarry explained his move as one to obtain for his client a "clean bill of health" and free him from further "harrassment."

Embezzlement Charged

President Toombs was arrested in Chicago Saturday night on a warrant charging embezzlement of funds belonging to the company and who was expected to go to St. Louis and appear before the attorneys and state insurance department officials early this week, was arraigned in the South Clark street court in Chicago Monday morning. His attorney asked for a continuance of the case. The Chicago detective bureau has refused to take responsibility for his release, as was requested by the St. Louis authorities. The bureau preferred to let the courts decide the matter.

Examiners Report

Report of examiners for eight states participating in the convention examination of the International Life which was interrupted when it was discovered that \$3,500,000 in cash and securities was missing from the vaults of the company in St. Louis, states that as of June 30, 1928, the company had admitted assets of \$39,909,799 and liabilities totaling \$41,924,262. This reveals that as of that date the company had an apparent impairment of its reserves totaling \$2,014,463. To restore the cash capital and

(CONTINUED ON PAGE 13)

AMERICAN SECURITY LIFE MAKES EXCELLENT START

COMPANY WELL ORGANIZED

Charter Campaign of Five Weeks Produces \$4,320,000 of Business—One Producer Writes \$1,720,000 in Month

The American Security Life of Birmingham, Ala., was incorporated May 17, 1928, licensed to do business June 28, 1928, and began business July 2. Its record since that time has been remarkable and it is the belief of its officers that quite a number of records for new companies have been surpassed in this time. Immediately upon opening its books the officers initiated a charter campaign with the idea of breaking all previous records for a period of five weeks' production by any new company, the best information available being that the record had stood at \$3,521,000. The American Security during its first five weeks wrote \$4,320,000. This business was not written in connection with the sale of stock but was on the usual life insurance risks. Of this business only \$91,000 was group, and there was no brokerage business. This business was placed in 575 policies, a certain indication that the business is well written and well spread over a large number of policyholders.

D. V. Edmundson, who has been associated with the life insurance business for a number of years and who also has had very active financial interests in Alabama and surrounding states, is president of the American Security.

To Establish Field Plant

An activity of importance following the close of the charter campaign will be the work of establishing adequate agency representation throughout the territory in which the company operates.

One feature of the company's progress which promises to result in unusually low cost insurance is the fact that the entire stock issue was placed without any promotion expense.

An outstanding incident in the charter campaign was the remarkable work of M. C. Tyler, who wrote \$1,720,000 of business in the month of July alone. In his production there was no policy over \$100,000. The total number of policies which he wrote was 110. It is believed that this establishes a record for volume and policies. There have been greater volumes of business written and greater numbers of applications in 30 days, but this combination of a large number of policies with high production is an outstanding achievement. One day Mr. Tyler started at 7:30 and worked 11 hours, writing 24 applications, one application having been written on every prospect he talked to. This averages better than an application every half hour, an unusual achievement.

Travelers Makes Change

The Travelers has appointed James H. Lipscomb, Jr., as manager of the agency development and life, accident and group departments at Jacksonville, Fla. Mr. Lipscomb has successfully represented the company as field assistant in Atlanta, and as field assistant and assistant manager in Jacksonville. A. N. Parish, former manager has been transferred from Jacksonville to Springfield, Mass., where he will serve the Travelers as manager of the branch office.

B. M. A. Holds Meeting

The annual meeting of the Business Men's Assurance will be held from Aug. 16-18 at Glenwood Springs, Colo. At one meeting of the B. M. A. star salesmen addresses will be given on vital subjects. Adequate mountain entertainment will be provided during recreational hours.

INTERESTING ANGLE IN INSURANCE SUIT

FINE LEGAL POINT IS SEEN

Beneficiary Is Suing Under a Surrendered Policy Where Draft Had Been Held Back

Much interest attaches in the suit brought by Mrs. Johanna M. Gray, of Chicago, widow of Charles W. Gray, late president of the Yellow Cab Company, against the Penn Mutual for \$50,000. It was erroneously stated that the double indemnity feature was the point of issue in this policy. This is a mistake. The Penn Mutual Life has already paid \$100,000 to the Gray estate, acknowledging that he died as the result of an accident on Christmas day while riding on a horse through Jackson park. It seems that Mr. Gray some weeks prior to his death surrendered a \$25,000 policy to the Penn Mutual Life. The cash surrender value draft was made out at the head office and sent to C. H. Anderson, one of the agents of the Penn Mutual Life in Chicago, to deliver to Mr. Gray. Mr. Anderson kept the draft in his desk for three weeks or so. Before the draft was delivered Mr. Gray died.

The attorneys for the Gray estate claim that inasmuch as the draft was not delivered to Mr. Gray the policy was still in force. So far as the Penn Mutual Life is concerned, it felt that its obligation in the matter had entirely ceased. The whole issue hinges on the holding of the draft by an agent. Mrs. Gray is suing under the double indemnity clause. It will be a fine legal point to determine.

Hundred Applications In One Hundred Days

George C. Dolf of Eureka, Cal., representing the State Life of Indiana, through the Arthur J. Hill California agency, has made what is believed to be a world's record in writing 100 applications in 100 consecutive working days, writing an application each working day. Manager Hill reports that Mr. Dolf's 100th application was submitted to the company on July 21.

Mr. Dolf was the California agency's first prize-winner in its 1928 Hill month campaign, in May writing 46 applications, during the 30 days of the celebration.

Names Trust Service Director

Dr. Arthur G. Walker, formerly associated with the Union Trust Company of Detroit, has been appointed director of the trust service department of the Detroit Life. The function of the new department is to assist agents in rendering service to policyholders in arranging their life insurance affairs, particularly where the need for a trust arrangement is shown. This department will not in any way infringe upon the specific services rendered by the legal profession or the trust companies but rather will cooperate with them for the mutual good of all concerned.

Illinois Life Prizes

At the annual meeting of the Illinois Life's \$100,000 Club the first conservation prize for the best renewal record amounting to \$100 will go to Manager W. N. Stafford, manager of the Northeastern, Ill., agency whose renewal percentage was 100. District Manager John J. Delaney of the Chicago south side agency is second with a renewal of 93.45 per cent. District Manager H. C. Fowler of Michigan is third. District Manager C. L. Grimes with a renewal percentage of 90.49 per cent is fourth and Manager F. W. Weston of Detroit whose record was 87.16 per cent gets the fifth prize.

LIFE COMPANIES SHOW INCREASES IN TEXAS

BUSINESS CONDITIONS GOOD

General Expectation Is That Carriers Will Make New Record This Year—Lapsations Decrease

DALLAS, TEX., Aug. 16.—New business written by life insurance companies in Texas during the first seven months of 1928 shows a considerable increase over the same period of 1927. With an \$80,000,000 grain crop about marketed, \$50,000,000 fruit, vegetable, potato and melon crops coming into the pockets of the producers and a \$50,000,000 cotton crop in the offing, the indications are that the amount of business written for the remainder of the year will be sufficient for the companies to hang up a new record in 1928.

There are no particular sections of the state where life insurance sales are best. The business has been good in all districts. Much of the business written in the rural districts involved notes for premiums, but there is every reason to believe these notes will be liquidated and that the collections this fall will be around 100 percent.

Lapsing Not So Heavy

The companies and general agents report that while there is a certain amount of lapsing, that practice is not so heavy this year. That means when the year closes the companies are going to show a decided increase in business in force over last year.

Just as there is no particular area where sales are "better," so there are no particular policies which are "best sellers." All kinds of policies have been written and are being written. A survey of the situation in Texas shows the average policy is around \$4,000. In the rural districts, and in the cities and towns also, a good many \$1,000 and \$2,000 straight life policies are being written. In these same places some \$5,000, \$10,000 and \$20,000 endowments and monthly income business is being done. There is an increase in the amount of business insurance being written and a good increase in the group policy business. The reports show there are few policies in the \$100,000 class. Agents have written a good many \$50,000 policies and a few for larger amounts. The policies for \$25,000 are plentiful. In the business insurance line it is frequent that policies for \$50,000 are written.

Larger Policies Foreseen

Insurance agents say it is more than likely that bigger policies will feature the business in Texas for the remainder of the year. That is the general run of policies written will be around \$5,000 to \$10,000.

Agents report the insuring public is more and more taking a fancy to the newer contracts being offered by the companies. Also that the number of policies written for women is increasing steadily. The women are buying in \$1,000 to \$3,000 lots as a general rule. They appear to be just getting interested in life insurance and the outlook for that line of business is bright.

Women Buying

Agents declare the fact that women have definitely established themselves in the business world has brought about the increase in the amount of life insurance for them. They realize they need the protection and they buy it.

Some agents report the public very much interested in a policy which covers the life and at the same time protects the assured against sickness and accident losses. Many of these combination policies are being written. The favorite amount for the men in the business world is reported as \$5,000 life

NOMINATE C. F. HOBBS KANSAS COMMISSIONER

BECOMES REPUBLICAN CHOICE

Party Almost Certain of Victory as Head of Insurance Department Assured

TOPEKA, KAN., Aug. 16.—Charles F. Hobbs will probably be the insurance commissioner of Kansas next January. He won the Republican nomination for the position over John B. Smith by about 30,000 plurality. Kansas is so strongly Republican and under the political conditions this year is regarded as so overwhelmingly Republican that the election of Mr. Hobbs is assured. I. B. Lower of Topeka is the Democratic candidate. He had no opposition in the primary.

Mr. Hobbs has been the actuary for the Kansas department for eight years and has been connected with the department almost twice as long. He formerly lived at Baldwin, later in Osage and Wabaunsee counties and then came to the insurance department as an examiner and from this work went into the actuarial division. He has had particular charge of checking the annual statements, collecting the premium taxes, applying the reciprocity laws and determining the condition of the companies. He has had charge of all admissions to the state.

Defeated by Baker

Mr. Hobbs ran for the nomination against William R. Baker six years ago and lost and then was retained as the actuary in the department. The organization which he had begun in his first race stood him in good stead this year as it was the nucleus around which he built his organization and won. John Smith has been the assistant commissioner nearly six years and was a candidate for promotion to the commissionership.

LAW HEADS AGENCY CLUB OF THE ILLINOIS LIFE

Raymond W. Law of the Chicago agency of the Illinois Life, who entered its service in January, 1927, qualified for the presidency of the "\$100,000 Club" which will hold its convention in Chicago the latter part of the month. He was president of the "Green Signal Club," the home state organization, at the January, 1928, meeting. Mary W. Lowe of the Oklahoma agency becomes vice-president. Lyman N. Thurston of the Wacker Drive agency of Chicago, who is comparatively young in the service of the company, qualified for second vice-president. Mrs. Clara W. Harwood of Oklahoma, a sister of Mary W. Lowe, secured the third vice-presidency.

and \$50 a week for sickness or accident benefits.

The survey of the situation in Texas reveals the fact that the young home companies are doing an excellent business. The two new companies at Dallas, the one at San Angelo, one at Wichita Falls and one at Houston report good business this year. The older companies are pushing steadily on. Their reports show fine business and the outlook for them is very bright. It is not only the home companies which are doing excellent business. All companies operating in the state are enjoying the best business they have had since coming into Texas. One state agent reported he has written \$12,000,000 in Texas so far this year for his company. Another has written \$7,000,000 and another \$6,000,000. These figures are considerably above those for the same period of last year and the best writing part of the year is just here.

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CRIMINAL ACTION IS ASSURED EXAMINERS

Some Officials of International Life Are Complimented for Cooperating with Commissioners

AFFAIR IS COMPLICATED

Regret Expressed That Company Has Gone into Receivership—Wilson Says Carrier Is Solvent

Insurance commissioners of the states that participated in the examination of the International Life in a statement given out Aug. 11 said Circuit Attorney Howard Sidener assured them that immediate and vigorous action will be taken by his office on the criminal aspects of the life company's complicated affairs.

The commissioners in this same statement added that in all fairness they desired to state that throughout their deliberations certain of the officers of the life company whose primary duties did not involve active participation in the management of its financial affairs had given assistance and cooperation and do not appear to be responsible for the present situation. It is understood the commissioners in this connection had in mind Charles G. Revelle, chief counsel for the company, and Vice-President and General Manager W. F. Grantges. Messrs. Revelle and Grantges have been accused by President Toombs with blocking a deal involving \$7,930,000 in real estate, mortgages and securities of the company.

Daly in Charge Under Court Order

Meanwhile Robert E. Daly, acting insurance commissioner of Missouri, is in active charge of the company as receiver under a Circuit Court order, while Massey Wilson, former president of the company, is endeavoring to assume charge as manager under a federal receivership instituted in Kansas City Aug. 10 by a C. P. Long of Tupelo, Miss., a stockholder, and J. J. C. Dale of Alabama, a policyholder. This suit followed a similar action brought in the federal court in St. Louis late on Aug. 9 by Mr. Long and Massey Wilson. Edward P. Wilson, attorney, brother of Massey Wilson, has qualified as federal receiver for the company by filing a \$50,000 bond, and on Aug. 10 appeared with a deputy United States marshal at the company's offices with a formal notice of receivership and appointment of receivers. W. F. Grantges, first vice-president, as ranking officer accepted service.

Could Not Serve

Robert E. Daly, acting commissioner, named co-federal receiver with Edward P. Wilson, on Aug. 11 formally notified United States District Judge Reeves at Kansas City that he could not serve because State Superintendent Ben C. Hyde had been named state receiver, and that he would have to act in that capacity for Mr. Hyde, who is ill. Mr. Daly's action has been interpreted to mean he believes that the state receivership will be sustained. Circuit Judge Hamilton has appointed the law firm of Forstel, Mudd, Blair & Habenicht as counsel for the state receiver.

Wilson's Action Resented

On Aug. 10 the insurance commissioners of nine states conferred with Circuit Attorney Sidener and also Attorney General Shartel of Missouri regarding the criminal and civil law aspects of the company's affairs. The

EQUITABLE LIFE OF IOWA PRODUCES WELL IN JULY

IOWA LEADS AMONG STATES

N. E. Farley of Toledo Agency is Ace Among Personal Producers—Toledo Office Leads Others

The Equitable Life of Iowa paid for \$5,331,167 of business during July. Iowa won state production honors for the month, with a total of \$1,136,216 in paid-for production, and increased its lead over other states for production honors for the year. Other leading states in order of their July productions were: Ohio, \$677,269; Illinois, \$630,500; Pennsylvania, \$565,500; New York, \$350,000. The first seven months showed a gain of \$1,455,676 over the corresponding period of 1927. Two agencies paid for more than \$200,000 during July and 15 produced more than \$100,000.

N. E. Farley Leads Agents

The leading personal production honors for July went to N. E. Farley of the Toledo agency. Mr. Farley's production amounted to \$57,154. In addition to being the company's leading personal producer for the month he was also the leader in production from old policyholders.

W. H. Robbins of the Kokomo, Ind., agency produced \$53,750 of paid-for business and annexed second honors. Other leaders for the month were: J. H. Hilmes, Des Moines; J. A. Mason, New York City; G. J. Brown, Kokomo, Ind.; and H. J. Miller, Philadelphia.

Toledo Agency First

The Toledo agency paid for \$229,654 and led all agencies during July. This agency also furnished the leading personal producer for the same period.

The Des Moines agency with a paid-for production of \$208,632, placed second for agency honors for July. Other leading agencies for the month were: New York City, \$199,500; Minneapolis, \$174,330; Philadelphia, \$159,000; Sioux City, \$158,200.

Of the business paid for, \$1,842,874 was written from those who already held policies in the company. This amount was 34.6 per cent of all business paid for during the month. For the year to date 36.3 per cent of all business paid-for by the company has been written on the lives of policyholders.

Commissioners are openly resentful of the action taken by Massey Wilson to bring about a receivership. This was the last thing the commissioners wanted to happen. Wilson has defended his action by stating the commissioners and acting heads of the International Life were apparently endeavoring to force a reinsurance contract with the Missouri State Life.

Mr. Wilson has pointed out that the call for the meeting of stockholders on Aug. 13 barred any consideration of plans for the reorganization or rehabilitation of the company, and that only reinsurance could come before that meeting. Prior to filing his suit he had made an informal bid for the International Life and his proposal was rejected by the commissioners.

Business Writing Halted

Pending solution of the receivership complications the insurance commissioners have wired International Life agents in their states to refrain from writing further business. This arrangement is only temporary and intended to protect the company and its agents from legal entanglements.

The commissioners also called Hillsman Taylor, president of the Missouri State Life, before them. Mr. Taylor again informed them that the Missouri State Life is ready to step into the breach and prevent a complete collapse

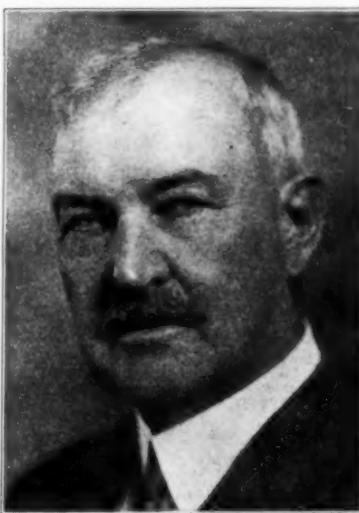
VOLUNTEER STATE LIFE AGENCY LEADERS MEET

CONVENTION IS EDUCATIONAL

Outstanding Producers of Company Have Three-Day Session at Resort—Dr. Rockwell Speaker

Agents of the Volunteer State Life attended the company's annual leader's convention Aug. 13-15 at Lookout Mountain. Three morning meetings of an educational nature were held, and the afternoons were given over to recreation. The convention opened with an invocation by John Durham Wing, bishop coadjutor of south Florida, which was followed by the address of the president of the company, Commodore A. L. Key.

Col. W. R. Bennett, president of the "Volunteer Circle," addressed his fellow leaders on "The Leader." L. S. Brooke, assistant vice-president of the Retail Credit Company, spoke on "Inspections." The last address was made by Dr. Charles J. Rockwell, director of the Rockwell School and editor of "The In-



COMMODORE A. L. KEY
President Volunteer State Life

surance Salesman." His subject was "Opportunities for the Present Day Underwriter."

Cups Are Presented

Presentation of cups to agency leaders was the first business of the second day's session. The presentation was followed by an address on Andrew Jackson by Dr. John A. Witherspoon of Nashville. Dr. S. F. McIntosh, assistant medical director of the company, spoke on "The Relation of Health to Efficiency," a subject which is given attention by all life insurance companies. Dr. Rockwell spoke again at this session, his subject being, "Life Insurance in the Business Fabric."

On the third morning the company's general agents in attendance conferred with officials of the company. In the afternoon there was a reception at the home office, in Chattanooga.

of the International Life. The commissioners first appealed to the Missouri State Life on July 3. On that date the Missouri State offered to reinsure the International on a basis that would thoroughly protect all policyholders and eventually pay the stockholders about \$107 a share for their holdings. This plan contemplates that the Missouri State Life would immediately put up the \$2,014,463.39 needed to completely restore the legal reserves of the International Life, take over all assets and

(CONTINUED ON PAGE 24)

MISSING SECURITIES ARE BELIEVED FOUND

Missouri Officials Said to Have Learned Whereabouts of International Life Property

PREPARE TO OBTAIN IT

Massey Wilson and Attorney Issue Statements Regarding Former President's Intentions

OFFICIAL STATEMENT JUNE 30

Gross Assets.....	\$45,577,072
Admitted Assets.....	39,909,790
Legal Reserve.....	30,061,931
Disability Reserve.....	375,000
Capital.....	937,500
Linabilities.....	41,824,263
Deficit.....	2,951,963

ST. LOUIS, Aug. 16.—Late on Tuesday this week it was reported in St. Louis that Missouri officials had learned the apparent whereabouts of \$3,000,000 in bonds and other securities belonging to the International Life and that steps would be taken immediately to seize them on behalf of the company. They are said to be in an Illinois bank.

Presumably they are part of the \$3,562,952.24, which should be in possession of the company, for which Toombs & Daily Company of Chicago received cash or its equivalent. They were not found when examiners for eight states sought to check same. Presumably they were given to Roy C. Toombs, president of the company, in Chicago on or about June 19.

Prosecutors probing into the tangled affairs of the company on Monday and Tuesday of this week learned that Roy C. Toombs had borrowed a large sum, presumed to be about \$500,000, from a New York bank, using as collateral a certificate for 10,000 shares of International Life stock in excess of the legal issue of \$937,500 previously issued.

Tracing Certificates

The investigators were also endeavoring to trace another certificate for 3,000 shares and one for 500 shares, also said to have been over-issues, and made by company officials at the request of Toombs. Further, it is believed, 15,000 shares had been similarly issued but later called in and cancelled. Testimony regarding the over-issues of stock was given by W. G. Darst, secretary of the company. Concerning the 10,000-share certificate used on the New York bank loan, Darst said Toombs told him:

"This will be taken up as soon as it has served its purpose." This certificate bore the signature of Darst and that of T. J. McReynolds, vice-president and head of the investment department of the company. Darst admitted signing the certificate, but McReynolds swore the signature was not his.

It was revealed that three certificates of 3,000 shares each of the over-issue stock had been replaced on or about June 15 by 9,000 shares of regularly issued stock obtained by Toombs from the International Company of St. Louis, Mo., holding company which controls the International Life through ownership of 23,600 shares of its stock.

Details of Sale Given

C. Louis Brennaun, secretary of the International Company, testifying before the investigators, said that in January the board of directors of the company authorized the sale to Toombs of 15,000 shares of International Life stock for \$90 a share to be paid in cash, other securities of equal value or interim cer-

(CONTINUED ON PAGE 11)

(No. 3 of a Series)

I Can't Finance My Men!

DESPAIR VIBRATES IN THE VOICE OF THE AMBITIOUS AGENCY BUILDER AS HE DISAPPOINTEDLY UTTERS THESE WORDS. FOR EVERY EXPERIENCED MANAGER KNOWS THAT THE **AVERAGE** NEW APPOINTEE MUST BE FINANCED IN SOME EFFECTIVE WAY DURING THE EARLY MONTHS OF HIS CAREER.

American Central Representatives Enjoy A Unique Service --The Agents' Fund--

WHICH HAS OPERATED AND PROVED ITS EFFICACY BY MORE THAN SIX YEARS OF REMARKABLE ASSISTANCE IN THE HANDLING OF THE FIRST PREMIUM NOTES OF ITS MEMBERS. THE AGENTS' FUND MEANS "QUICK CAPITAL" PLUS CREDIT TRAINING BY EXPERTS.

—00—

(Just one of the many reasons why American Central representatives are happy and successful.)



FRANK H. DAVIS IS WELCOMED TO CHICAGO

Penn Mutual Connection Formally
Announced to A. E. Patterson
Agency Staff

DINNER MEETING HELD

Hugh D. Hart Says Mr. Patterson's New
Post With Company Will Be
of First Importance

Hugh D. Hart, vice-president of the Penn Mutual Life, last Thursday night formally announced to the Alexander E. Patterson general agency staff and to the company's other general agents in Chicago the succession of Frank H. Davis to Mr. Patterson as one of the company's Chicago general agents. Mr. Davis, formerly agency vice-president of the Equitable Life of New York, in returning to Chicago will become active again in the field of his greatest triumphs as an agency and production builder. Mr. Patterson, who for some years was head of the agency department of the Equitable in Chicago, will after Oct. 1 assume a leading position with the Penn Mutual.

Both of the men involved in Penn Mutual change are outstanding as agency organizers. To Mr. Davis credit is generally given for creating for the Equitable a billion dollar producing organization. Mr. Patterson during his time with the Equitable in Chicago built the outstanding agency in the city. Since he went to the Penn Mutual a few months ago he increased the production of his agency 100 percent and his agency staff 400 percent. In introducing Mr. Davis, Mr. Hart commented on the work of Mr. Patterson in part as follows:

Patterson Brilliant Organizer

"If I were asked to make a list of the five greatest agency builders in the life insurance field in North America I would include Mr. Patterson among the five. He has every qualification—organizing genius, the cooperative spirit, imagination, personal charm. I believe that brains are the most powerful factor in building and maintaining an organization of any kind and Mr. Patterson is splendidly endowed."

Mr. Hart reviewed Mr. Patterson's life insurance experience from the time he joined the Edward A. Woods organization until he joined the Penn Mutual. With reference to Mr. Patterson's future with the company he said: "The post we have chosen for Mr. Patterson to fill is of the utmost importance in our organization, but we shall defer announcing it for another two weeks."

Davis Compliments Patterson

Mr. Hart next introduced Mr. Davis, saying he would place him first on the list of the five greatest organizers. Mr. Davis opened his remarks with high tribute to Mr. Patterson as an organizer and as a fellow. To the agents he said: "I was once an agent and in those years I had great respect for agents. After I was made vice-president of the Equitable my appreciation of the agent's worth increased. I knew that as vice-president I stood on the shoulders of those who supported me in that position—the agents. No man in the life insurance business is more entitled to hold his head high than is the loyal, intelligent agent. The agents are in fact and in the minds of the public the life insurance companies. The public does not know the home office executives of the companies and doesn't need to know them."

When Mr. Patterson learned that Mr. Davis had resigned from the Equitable

he called Mr. Hart by long distance telephone and suggested obtaining the services of Mr. Davis for the Penn Mutual. Mr. Hart told his hearers that at the time he characterized Mr. Patterson's suggestion preposterous. However, Mr. Patterson insisted that a try be made and after about a month of negotiation Mr. Davis consented. At the Thursday night meeting Mr. Davis said he was glad the offer had been made, for he always has wished to return to Chicago and he also has been greatly desirous of returning to agency and production building work. "I am coming back to Chicago to stay," Mr. Davis declared.

Malcolm Vail of H. S. Vail & Sons, Chicago brokers, made a brief address after Mr. Davis concluded and was followed by John J. Dooley of the Patterson agency staff, who glowingly praised the abilities and the personality of Mr. Patterson and also warmly welcomed Mr. Davis. C. M. Cartwright of THE NATIONAL UNDERWRITER made a brief talk in which he recalled his contacts with Mr. Davis in earlier days in Chicago and stressed the significance of Mr. Davis' return. Charles Stumes of Stumes & Loeb, one of the Penn Mutual general agencies in Chicago, and Wade Fetzer, president of W. A. Alexander & Co., also Chicago general agents of the Penn Mutual, paid tribute to Mr. Patterson and extended a welcome to Mr. Davis.

RELIANCE LIFE PAYS TRIBUTE TO VETERANS

A tribute to a quarter-century of continuous service was paid to three officers of the Reliance Life of Pittsburgh when they were presented with platinum watches at a luncheon attended by 26 officers, directors and department heads of the company.

The men given the watches are H. G. Scott, senior vice-president and secretary, J. N. Jamison, actuary and assistant secretary, and William J. Snodgrass, assistant treasurer. Arthur E. Braun, president of the company, made the presentations.

A short address on the parts the three honored employees have played in the development of the Reliance Life was made by Vice-President L. P. Gregory. Mr. Scott and Mr. Jamison rose to executive positions from the clerkships at which they started when the company was organized in 1903. Mr. Snodgrass always has been the assistant treasurer.

In addition to praise for the faithful work of the veteran officers, Mr. Braun paid tribute to the late Judge James H. Reed, who founded the company, and T. H. Given, a former vice-president and director, and the ideals they established for the guidance of the company.

MUTUAL LIFE ESTABLISHES NEW SERVICE DEPARTMENT

A late departure by the Mutual Life of New York, as announced by George K. Sargent, vice-president and manager of agencies, is the establishment at the head office of a policyholders' service bureau, replacing the former restoration bureau. The function of the department will be the conservation of business in force and the restoration of lapsed or surrendered policies. It will establish and maintain records of lapses and surrenders, classified by managing agencies and individual agencies, and make and carry through plans for the repayment of policy loans, and generally to hold in force all present and new business. Willard T. Johns has been designated as manager of the bureau.

Hold Home Office Outing

Home office employees of the Illinois Bankers Life with a group of 150 members of the staff and their friends held an all-day picnic last week. William H. Woods, president, and J. R. Ebersole, vice-president, were in charge of arrangements.

ACHIEVEMENT



Founded 1869

ACACIA MUTUAL LIFE ASSOCIATION

WILLIAM MONTGOMERY, President

WASHINGTON, D. C.

As a Temple of Service to its members ACACIA dedicates the first unit of its magnificent new Home Office Building. Built within the very shadow of the Nation's Capitol, it is the club home of its policy-holders as well as the workshop of its hundreds of employees.

Unique in organization, and remarkable in the record it has made, ACACIA continues to be increasingly great and useful. Its new home will stand as a monument to the high hopes of its founders and to the hundreds of thousands who continue to perpetuate its work through their creative partnership.

Pan-American Life Review

Published Every Month in the Interest of the Field Organization of the

PAN-AMERICAN LIFE INSURANCE COMPANY
CRAWFORD H. ELLIS, President
E. G. SIMMONS, Vice President and General Manager

August, 1928

Will This Happen to You

Some cold morning next January will you find yourself experiencing that thrill of packing summer clothes in your luggage while the snow whirls outside the window panes? Will you taxi down drab icy streets and board a train for the Southland with the vision of summer before you? Quickly the hours will pass, as hours do, in pleasant conversation and reading. All through the night the train glides swiftly southward. Then on the morrow, behold the miracle! Winter has vanished! It is summer and you step from the door of your Pullman into the sunshine and fragrance of Palm Beach.

You still have the balance of August and the entire month of September to complete your qualification. Do not fail to put forth every effort for to miss the Palm Beach Convention will be to miss a glorious treat.

Dates Ahead

Palm Beach—January 23, 24, 25, 1929
We know everyone was delighted to receive Dr. Simmons' letter announcing the Royal Poinciana Hotel as the headquarters of the Convention in Palm Beach and the dates of the meeting as January 23, 24 and 25, 1929. Heretofore we have held two days' meetings and this extra day will give us not only more time to devote to business but more time to play at America's Great Winter Playground.

Miss Macfarlane Honored

The many friends of Miss B. B. Macfarlane, Supervisor for Louisiana, will be pleased to learn that she has been made Chairman of the Committee on Education of the National Association of Life Underwriters. For sometime Miss Macfarlane has served on this Committee and her appointment as its head is the just reward of the splendid work she has been doing.

along educational lines both for the Pan-American and the Life Insurance Fraternity. Miss Macfarlane succeeds as Chairman, Mr. Frank L. Jones, who is retiring from field work to accept a vice presidency of the Equitable.

Five Point Victory Policy

There are five distinct features which guarantee—
1. Immediate Cash for Premature Death.
2. Life Income for Total Disability.
3. Independent Income for Old Age.
4. Immediate Cash Loan for Unemployment.

5. Double the Insurance for Accidental Death.

Under the Pan-American Life Five Point Victory Policy Plan you can be financially free—you can enjoy life without worry—you can have the things you have always wanted and in the meantime there is a fund steadily accumulating to provide you with the comforts and pleasures of life in old age. By simply making a limited number of small deposits this fund will be waiting for you when your working days are over. This, however, is only one of the many benefits this plan affords you.

The Five Point Victory Policy will guard and protect you—

1. If you die:
Your family or estate will receive the full face of the policy in immediate cash.

2. If you die by accident:
The policy will pay double the face value in immediate cash.

3. If you suffer total disability:
You, yourself, will receive an annual income for life; the Company will pay the premiums for you, and upon your death, the FULL FACE of the policy will be paid.

4. If you live:
You are guaranteed a substantial decrease in premium payments at every five-

PAN-AMERICAN LIFE REVIEW

year period, which guarantees you a very low net cost and at the same time a fully paid up policy.

3. If you wish a savings fund:
You can mature this policy as an Endowment, according to its terms, and receive more than the full face of the policy.

has recently been elected to the first Vice-Presidency of the El Paso Association of Life Underwriters. Not only have Mr. Goodman's knowledge of the business and his ability as an underwriter earned for him this merited recognition, but because he always strives to observe the best ethics of his chosen profession.

Missouri Appointment

We are very pleased to announce the appointment of Mr. I. M. Fleming and his son, Mr. George Fleming, as General Agents of the Company at Springfield, Missouri. Mr. Fleming and his son have been very successful in the investment business which they have conducted in Springfield for several years and are prominent in the business life of Springfield and move in the highest social circles.

Over Insurance

The pamphlet entitled "Over Insurance" recently mailed to you is No. 1 of a series of articles written by the Underwriting Department for the information of the Agency Force. Do not fail to read this booklet carefully because it carries an important message and should give you much valuable information in regard to a very important phase of Life Insurance underwriting.

The Measure of a Man

Courage is the badge of manhood. Add to this fortitude and indomitable will and you have three of the greatest qualities that go to make a man. Harry E. Allison of Indiana, Pennsylvania, possesses these qualities and more. So badly crippled with rheumatism that for years he could scarcely leave his room and now recovered only to such an extent that he can be carried to and from his automobile, he has succeeded already in making a double qualification for the Palm Beach Convention. What he has accomplished under this severe physical handicap should be an inspiration to every man in our Field Organization. Those of you who have strong bodies and nimble hands and feet should heed the lesson which Harry Allison's wonderful courage, fortitude and determination have accomplished.

—C. D. C.

Mr. Leonard A. Goodman

Our many readers will be interested in knowing that Mr. Leonard A. Goodman

What would you think of driving eighty miles to have an applicant examined for Life Insurance? Would you do it? Mr. C. W. Tatum of the H. S. Smith Agency did this and as a result he was the leader in his agency during the month of March and as you know was the leader in his class for the President's Month Contest and won one of the handsome Waltham Watches given by the Company as prizes during March. We want to congratulate Mr. Tatum on his splendid success.

Mr. Young Appointed Supervisor

Mr. Richard S. Young has been appointed the Company's Supervisor for central Tennessee. Mr. Young is a successful insurance man but for the past few years he has devoted himself to other lines. He has now returned to the Life Insurance business which he is determined to make his life's work. Mr. Young is making his headquarters temporarily at Smithville, but intends to move to one of the larger towns in his territory as soon as he gets his work under way.

Pan-American Service

Educational Course.
Sales Planning Department.
Unexcelled Life Policies.
Child's Educational Endowment.
Combination Life, Accident and Health Policy.
Substandard Insurance for Under-average lives.
Group Insurance.
All forms of Accident and Health Insurance.

We have a few general agency openings for men who measure up to Pan-American ideals. For information write to

E. G. SIMMONS,
Vice-President and General Manager.

THIS IS A MINIATURE COPY OF THE REGULAR PAN-AMERICAN REVIEW.

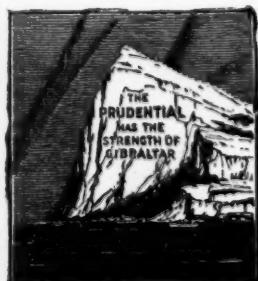
BLIGHTED LIVES

The chances are that an uninsured or under-insured man would resent the charge that his indifference might destroy the happiness of his children.

Yet the records hold countless stories of loyal sons and daughters who have sacrificed their own inherent right to rear families because they felt their first duty to be the care of the widowed mother left penniless by a careless husband.

The failure to provide adequate protection reaps a harvest of many sorrows.

Prudential Ordinary Agencies, found everywhere, offer the best in low net cost protection.



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office • Newark, New Jersey

HIRAM T. LEWIS MUTUAL OF NEW YORK MEN MEET

AGENCY CONVENTION IS HELD

Minneapolis Producers Have Day of Educational Addresses By Leaders Expert in Their Lines

By GAYLORD DAVIDSON

MINNEAPOLIS, Aug. 16.—The third annual convention of the Minneapolis agency of the Mutual Life of New York, under the management of Hiram T. Lewis, was held last week. Manager Lewis stressed the company's appreciation and his own as well, of agency achievement in an address of welcome in which he quoted from THE NATIONAL UNDERWRITER's recent resume of life insurance payments to emphasize the enormous increase in life insurance benefits throughout the entire northwest, which includes, of course, Minneapolis and the 22 counties in Minnesota as well as the entire state



HIRAM T. LEWIS
Manager Minneapolis Agency Mutual Life

of North Dakota, comprising the Minneapolis agency.

"Conservation" Snyder's Subject

Manager Lewis's address opened the first day's session and was followed by a demonstration of one of the vital needs in life insurance procedure today, "Conservation," and was conducted by M. L. Snyder, service representative of the agency, under the topic of "Dawn of a New Day in Life Underwriting." He struck the keynote of a subject that is coming home with stunning force to the official life of practically all companies, when he said:

"Probably one of the biggest problems confronting the life companies today is the exorbitant lapse and surrender ratio. Companies, agencies, agents, and policyholders are all being injured by the fact that existing insurance estates are being surrendered and lapsed in a far too large proportion to new estates created. It required approximately 48 percent of the new business written in 1927 to offset the amount of lapse and surrender."

"The continuance of this condition will eventually undermine the morale of any agency, for it affects materially the income of the agent when he permits insurance to lapse. This is not only confined to his renewals but the fact that he is clearly depriving himself of considerable amount of new business by the loss of these spheres of influence."

"The immediate remedy, of course, lies in the endeavor to restore the lapsed estates. But our efforts should be directed not so much to this function

FIRST STEP MADE IN REACHING SOME GOAL

INTERNATIONAL LIFE MOVE

Federal and State Courts Place Grant-ges in Charge of the Affairs of Company

ST. LOUIS, Aug. 16.—The first definite step toward rehabilitation of International Life was taken late Wednesday when counsel for federal and state receivers signed an agreement under which the company resumes all its normal functions with the exception of the actual writing of new business. W. F. Grantges, first vice-president and general manager, was selected to supervise the company's affairs and is authorized to make any and all payments for company such as death claims, disability benefits, policy loans, salaries, current expenses, agents' nets, renewal commissions, etc., up to \$500. For larger payments the stipulation provides the order must be approved by Federal Receiver E. P. Wilson and State Superintendent of Insurance Ben C. Hyde. No payments of any kind can be made to Roy C. Toombs, president; George E. Toombs, treasurer, and Dr. E. F. Mengenstier, vice-president and director of personnel for the company.

This harmonizing of the various litigants is regarded as the first move toward a complete understanding. It is anticipated that within 48 hours an agreement on a reinsurance contract will be announced. A reorganization of the company with new capital also is possible.

Circuit Attorney Sidener issued warrant Wednesday for the arrest of Roy C. Toombs on charge of grand larceny, based on \$104,000 in bonds alleged to have been taken from the company on Oct. 1, 1927. Extradition proceedings for the return of Mr. Toombs to St. Louis will commence upon his rearrest if he should refuse to return voluntarily.

of conservation. We should endeavor to treat it in a broad sense and endeavor to prevent lapses rather than confine our efforts solely to the restoration of policies after lapse, when the damage has been done.

"The conservation, in its broadest sense, can only be accomplished through an educational program among the agents for a better selection of prospects, better sales methods, and better service and contacts. The treatment of this subject involves practically every activity of the agency, for the whole idea of conservation permeates the whole agency structure."

Referring again to ratios, it is certain that there can be no misleading equation in the topic chosen by Gifford T. Vermillion, manager of the Milwaukee agency, "Perpetuity of Applications, 5x5x50." Mr. Vermillion was one of the three managers on the program, being the majority of five in the service of the Mutual Life who are racing for first place in production. In his personal agency production Mr. Vermillion exemplifies one of the vital points he made in his address, that in every other profession save that of life insurance there is a limit to a man's productive ability.

Gettys on Afternoon Program

The afternoon session was opened by Lloyd Gettys, manager of the Sioux City, Ia., agency, under the topic "Life Insurance as a Profession." Manager Gettys is another one of the fast traveling managers in the company's service. In the fulfilling of a complete achievement in a land not so well favored in the past few years he is the antithesis of "conditions," whether they refer to crops, finances, or just plain laziness. He believes in concentration.

(CONTINUED ON PAGE 26)

PENN MUTUAL STARTS TO UNFOLD PLANS

Vice-President Hart Has His Lines Out for Some Big Fish

IS BUILDING MAN POWER

Securing of Frank H. Davis Gave the Life Insurance Fraternity Everywhere a Veritable Surprise

Life insurance men were taken much by surprise last week when it was announced that Frank H. Davis, who recently resigned as agency vice-president of the Equitable Life of New York, would become general agent of the Penn Mutual Life at Chicago, taking over the Alexander E. Patterson agency. Mr. Patterson himself had been one of the agency managers of the Equitable Life of New York in Chicago, having been transferred from New York City. He assumed charge of the Clyde J. McCary agency, the original Penn Mutual general agency in Chicago, considered a very alluring prospect. He has been in the saddle about four and one-half months.

Speculation on Patterson

Vice-President Hugh D. Hart of the Penn Mutual Life was in Chicago Thursday and made it known that there was something big in store for Mr. Patterson. At first it was supposed that he would become an executive of the Penn Mutual Life, but the wiseacres declare that he is to have a general agency in one of the big eastern cities. It is known that Vice-President Hart has ambitions to put the Penn Mutual Life very much to the fore in Greater New York and Chicago. The Penn Mutual has five general agents in New York City. The premier general agent is J. Elliott Hall, of 30 Church street. MacWilliam & Hyde are general agents at 285 Madison avenue. Rooney & Vermilye are general agents at 141 Broadway. J. A. Goulden & Son, and J. A. Eckenrode. The total paid for by these agencies was \$40,985,636, as follows: Elliott Hall, \$29,328,662; MacWilliam & Hyde, \$5,873,047; Rooney & Vermilye, \$3,009,194; J. A. Goulden & Son, \$1,688,203; J. A. Eckenrode, \$1,086,530. It has three general agents in Chicago. The Patterson general agency, Stum & Loeb and W. A. Alexander & Co. Evidently Vice-President Hart has big things in store for the company in Chicago.

Has Stressed Man Power

Mr. Hart in taking charge of the production department of the Penn Mutual Life has stressed the effect of manpower. He has endeavored to strengthen the personnel of the Penn Mutual Life. It already had a magnificent organization, but the company was moving along in a rather conservative way. When Mr. Hart picked Mr. Patterson to take over its leading general agency in Chicago, officials of other companies at once saw that he had his mind fixed on big men. In fact, he stated that he counted Mr. Patterson one of the five greatest agency leaders in the country. With the selection of Mr. Davis, Mr. Hart's plans begin to unfold. Undoubtedly he expects to secure four or five other men of like caliber. He is strengthening the offices as they are, but is bringing into the organization tremendous new man power. The Penn Mutual Life has a most substantial foundation and a background that is hard to beat. Mr. Davis undoubtedly will make

NATIONAL LIFE U. S. A. ANNUAL CONVENTION

TO BE AT WASHINGTON, D. C.

Company Will Celebrate Its 60th Anniversary by Holding its Meeting at the Capitol

From all corners of the nation field representatives of the National Life U. S. A. are commencing the pilgrimage to the nation's capitol to attend in Washington the sixtieth anniversary convention, held to commemorate the founding of the company by Jay Cooke and his associates 60 years ago.

Washington was chosen as the convention city on this occasion in view of the fact that it is the company's birthplace having been established there and chartered by a special act of Congress just three score years ago.

"There are, naturally, many factors of particular historic interest and tradition attending an occasion of this sort," said Vice-President Walter E. Webb who has general charge of the convention.

Brochure Is Prepared

"In order to properly record this epic-making event, we have prepared a brochure entitled 'Sixty Years' for distribution among our policyholders and field representatives, giving not only the historic background of the founding, growth and development of the company but also showing photographs of the company's birthplace in Washington, facsimile copy of the national charter and of the company's first policy issued to Jay Cooke, the world renowned financier in 1868.

"Of particular interest and significance in connection with the gathering of our forces is the group of men with service records dating back 15, 20, 25 and 30 years. Heading the list we have Chairman of the Board A. M. Johnson and President Robert D. Lay who have been associated together in the management for 26 years. In the field there are men like James S. Barrow of Kansas 25 years; A. B. Combs, Oregon, 22 years; Ford D. Markham, Spokane, 25 years; A. Lee Peacher, Arkansas, 20 years; and W. T. McClintick of Peoria, Ill., who heads the list with 33 years of service.

Simpson Leads Field

C. H. Simpson, Fargo, N. D., state manager for the Minnesota Mutual Life, led his organization in policies written during July, according to information received from Fargo.

a stir in Chicago life insurance circles. The Penn Mutual Life was interested to ascertain the condition of his health as it had been reported that Mr. Davis was not in the best condition. He is found to be fit.

Anticipate Further Announcements

In Chicago, Vice-President Hart intimated that hinging on the new connection of Mr. Patterson and following it, there would be some very important announcements in connection with the Penn Mutual Life organization. Everyone who has been watching the Penn Mutual since Mr. Hart went with it, has recognized the vitality that was manifested, the resourcefulness of the management, and the aggressive character all along the line. The Penn Mutual Life is one of the few companies that is making extensive gains in new business this year. There are evidences in every direction of the new policy inaugurated by Mr. Hart in the agency department.

Mr. Hart stated that President William A. Law of the Penn Mutual Life, who has gone abroad, desired that no publicity be given to the future arrangement for Mr. Patterson as there will be other collateral plans involved.

PROGRAM FOR MEETING HAS BEEN ANNOUNCED

MANY INTERESTING TALKS

Health & Accident Underwriters' Conference Presents List of Events for Its Annual Convention

The detailed program for the annual meeting of the Health & Accident Underwriters' conference to be held Sept. 5-7 at the Edgewater Beach Hotel in Chicago has been announced by the officers as follows:

Wednesday, Sept. 5

Golf Tournament, 9 a. m., Wilmette Country Club. Eighteen holes will be played in the morning, luncheon will be served and a final eighteen holes in the afternoon.

Auto and Airplane Ride, 2 p. m. Automobiles will take non-golfers to the Chicago Municipal Airport, where an opportunity will be given for everyone to make a flight. Many interesting sights can be seen at the largest commercial airport in the United States.

Executive Committee Meeting, 8 p. m.

Thursday, Sept. 6, 10 A. M.

Call to Order, J. W. Scherr, presiding. Address of Welcome, Col. Lee Alexander Stone, Chicago.

President's Address, J. W. Scherr, President Inter-Ocean Casualty, Cincinnati.

Address, "The Effect of Aviation on Personal Accident Insurance," Harold Jackson, Vice-President Wm. H. McGee & Co., New York City.

Following this address, an informal discussion will take place.

Report of the Executive Committee, Watson Powell.

Report of Entertainment Committee, Ted M. Simmons.

Report of Grievance Committee, C. W. Ray.

Report of Membership Committee, John Hall Woods.

Report of Treasurer, Harold R. Gordon.

Address, "Modern Trends in Disability Insurance," D. C. MacEwen, Junior Vice-President Pacific Mutual Life.

Address, "Psychology in Underwriting," Dr. H. W. Dingman, Vice-President Continental Assurance.

Address, "Salesmanship," James L. Rainey, Agency Supervisor Missouri State Life.

Report of the Manual Committee, R. S. Hills.

Report of Statistical Committee, L. D. Cavanaugh.

Report of Credentials Committee, G. R. Kendall.

Report of Legislative Committee, E. J. Faulkner.

Thursday Evening, Sept. 6, 7:30 P. M.

Annual Conference Dinner, J. W. Scherr, Toastmaster.

Speakers: Chas. H. Burras, President National Association of Casualty & Surety Agents; Dr. Robert Slingsby, Professor of Marketing and Business Research, DeForrest University.

Friday, Sept. 7, 10 A. M.

Presentation of the Report on Public Relations to the Health & Accident Underwriters Conference by the Insurance Advertising Conference.

Report of the Educational and Publicity Committee, E. C. Budlong, Federal Life, Discussion.

Round Table Discussion, "Is the Number of Policies Declined too Large?" Introduced by Ted M. Simmons, Pan-American Life.

Round Table Discussion, "Are Health Insurance Rates Adequate?" Introduced by George Manzelmann, North American Accident.

Report of the Auditing Committee, A. D. Johnson.

Report of the Resolutions Committee, H. S. Bean.

Report of Special Committees.

Deferred Business.

New Business.

Report of the Nominating Committee and Election of Officers.

Date and Place of the Next Meeting.

Adjournment.

On Thursday afternoon, Sept. 6, at 2:30 p. m., the ladies will be entertained at bridge and afternoon tea on the Edgewater Terrace.

CHAMBER OF COMMERCE COMMITTEE APPOINTED

Smith Chairman and Fitzsimmons

Vice-Chairman of National Body

MEETING AT NEW LONDON

Study Legislative Matters Affecting Business—Propose to Publish Bulletins on Insurance Subjects

President William Butterworth of the United States Chamber of Commerce has appointed the following to the insurance advisory committee of the National Chamber for the year 1928-1929:

H. A. Smith, chairman, president, National Fire, Hartford; P. W. A. Fitzsimmons, vice-chairman, president, Michigan Mutual Liability; William Brosmith, vice-president, Travelers; David Brown, manager, insurance department, Texas Company, New York City; F. Highlands Burns, president, Maryland Casualty; Walton L. Crocker, president, John Hancock Mutual Life; R. P. DeVan, president, DeVan & Co., Charleston, W. Va.; Haley Fiske, president, Metropolitan Life; S. S. Huebner, Wharton School of Finance and Commerce, University of Pennsylvania; James S. Kemper, president, Lumbermen's Mutual Casualty; J. G. Leigh, L. B. Leigh & Co., Little Rock; C. A. Ludlum, vice-president, Home of New York; Frederick T. Moses, president, Firemen's Mutual, Providence; Julian S. Myrick, manager, Mutual Life of New York; R. G. Simonds, vice-president, Bush Terminal Co., New York City.

Meet End of Month

The first meeting of the committee will be held on Aug. 28 at New London, Conn. The committee acts in an advisory capacity to the insurance department and to the board of directors of the National Chamber on insurance subjects.

The activities of the insurance department of the National Chamber may be classified under four main heads: legislation, facts for policyholders, fire prevention and health conservation.

Study Legislative Matters

In legislative matters the department expects to study the operation of state workmen's compensation funds; continue cooperation with member organizations of the chamber in their efforts against compulsory automobile insurance and study the experience of the Massachusetts compulsory law. It will make a study of the amount of special insurance taxes imposed by the various states as compared with the expenditures for insurance supervision. The department will continue its efforts toward the centralization of federal public health activities; cooperate with member organizations in securing the further adoption of certificate of automobile title legislation; cooperate with members in bringing about the further adoption of the principles of the model marine insurance law of the District of Columbia; endeavor to secure the further adoption of uniform arson legislation; study the trends in insurance legislation and furnish information to organizations interested in legislation affecting insurance.

The department proposes to publish bulletins on insurance subjects of interest to policyholders such as annuities, life policy loans, title insurance, fidelity and surety bonds, etc.

The department will also continue to

cooperate with the National Fire Waste Council in the annual Inter-Chamber Fire Waste Contest.

It will also aid insurance committees of member organizations of the National Chamber in preparing programs of activities, furnish insurance literature and give information on legislative developments. Additional bulletins on health subjects will be issued and a more concerted effort made to reduce the great economic loss due to illness and premature death.

Johnson & Crume Resign

Johnson & Crume, who have been Chicago managers of the Manhattan Life, have resigned, the resignation to be effective Sept. 1. The Johnson & Crume office has written business in good volume. The heads of the office have not announced their future connection, but it is probable they will take a general agency in Chicago for some life company.

Dominion Life Appointment

E. P. Hunter, formerly of Toronto and for the past few months acting manager of the eastern Ontario division of the Dominion Life with headquarters at Ottawa, has been appointed manager of the division.

REGIONAL CONVENTIONS PLANNED BY EQUITABLE

FIVE SESSIONS SCHEDULED

Officials Expected to Direct Agency Gatherings—Eastern Section to Hold Two Meetings

NEW YORK, Aug. 16.—Plans are being rounded out for the regional agency conventions of the Equitable Life of New York, to be held in various sections of the country during September. It is expected that President Thomas L. Parkinson, Vice-president Frank L. Jones and William G. Fitting, superintendent of agencies, will be present at each of these local gatherings, to direct the sessions. The first group to meet will be the eastern section, which will gather in two sessions at Montreal. The first will meet Sept. 6-8 and the second Sept. 9-11, convention headquarters being the Hotel Mount Royal. The central section will next meet at the Grand Hotel on Mackinac Island, Mich., Sept. 16-18. The southern agents will gather at the Hotel Traymore, Atlantic City, Sept. 20-22. The Pacific group will

INTERNATIONAL LIFE HAS BEEN ABSORBER

TAKES ON MANY COMPANIES

List of Insurance Institutions That It Has Reinsured Since in the Practice

Owing to the publicity regarding the International Life it is interesting to record the different companies that it has taken over. The International Life started in 1911 to buy up other companies. Its first one was the Empire Life which it absorbed in 1911. The last one it took over was the Standard Life of Decatur, Ill., which it reinsured in 1924. The other companies that it has taken over are the Great Western Life, Tennessee Life, Southern National Life, California National Life, Jefferson Life, Cherokee Life, Empire Life of Atlanta, United States Annuity Life of Chicago, Reliable Life, National Life of Montana and Gulf Coast Life.

gather at the Hotel Del Monte, Del Monte, Cal., Sept. 27-29.

OLD LINE LIFE AGENCY FORCE IS TO MEET AUG. 28-30

STRONG MEN ON PROGRAM

Business and Pleasure Will Be Combined at Annual Convention of Company's Field Staff

MILWAUKEE, Aug. 16.—Officials of the Old Line Life, Milwaukee, have announced the complete program for the agency rally of the field force which is to be held in Milwaukee, Aug. 28-30. It embraces two days of business, with one day devoted to entertainment.

General agents of the company will open the meeting with a luncheon the first day, and immediately following this there will be a business session for the afternoon. Milton A. Freedy, insurance commissioner of Wisconsin, will be the speaker at this session. A general discussion will follow about business problems.

The "Star Leaders" club of the company, composed of the leading producers, will hold their annual meeting on Tuesday evening. E. J. Samp is to be the master of ceremonies.

While this party is on, the ladies are to assemble at the home office and will be taken to dinner, which is to be followed by a theater party.

The second day will be devoted entirely to a get-together of the agents and their families at Pewaukee lake. There will be a baseball game, a buffet luncheon will be served at noon, and a putting contest is to be held for novices at the game of golf after lunch.

All of the field force will join in the business meeting Thursday, at which Claris Adams, secretary and counsel of the American Life Convention, will speak on "The Institution of Life Insurance," and Dr. S. S. Huebner will talk on the "Professional Concept of Life Insurance."

Rupert F. Fry, president of the Old Line Life, will be chairman of the morning meeting, when Mr. Adams will be on the program. John E. Reilly, secretary of the company will be the chairman of the afternoon session.

John Hancock Mutual Loans

Additional farm and mortgage loans on farm and city dwellings and apartment houses, accepted by the John Hancock Mutual Life in July were \$1,900,325. This makes total loans of this class since Jan. 1 of \$29,582,124. The average rate of interest on these loans was 5.55 percent.

The loans for the seven months were made on 1,563 farms totaling \$11,333,841 to yield 5.25 percent and on 1,186 city properties and \$18,248,283 to yield 5.74 percent. The city loans accepted included 943 dwelling houses and 214 apartment buildings, housing in all 4,533 families.

Group Sales Greatly Increase

Group insurance is enjoying a record year in all offices. Recently the Metropolitan Life added a \$400,000,000 line to its books, assuring it of a new peak in 1928. Now the Equitable Life of New York announces that its July group business was 250 per cent of the July, 1927, figures. The groups closed thus far in 1928 by the Equitable already exceed the total for the entire year 1927.

Issues Non-Medical Cover

The California State Life is now issuing non-medical insurance with a limit of \$2,500 in all states except Oklahoma and Arizona. Males only will be accepted, ages 15 to 45. Only field men having had three months' service will be permitted to write this form.

Frederick N. Jordan, for the past 35 years agent of the Phoenix Mutual Life in Portland, Me., died in that city the past week, aged 74 years.

Our Agents Have

A Wider Field— An Increased Opportunity Because We Have

**General Age Limits 0 to 60.
Non-Medical Age Limits 0 to 45.**

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e., Annual, Semi-annual or Quarterly Premium plan.

Participating and Non-Participating Policies, Medical and Non-Medical.

Same Rates for Males and Females, Medical and Non-Medical.

Double Indemnity and Total and Permanent Disability features for Males and Females alike, Medical and Non-Medical.

Standard and Substandard Risk Contracts.

Our Class C Senior Agents may write Non-Medical Applications for as much as \$3,000.

We have openings in Ala., Ariz., Ark., Dela., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., Miss., N. M., N. C., Okla., S. D., W. Va.

THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO, ILL.

B. R. NUESKE, President

The Company has its Home Office in its own building at 166 W. Jackson Blvd., running through to Quincy and Wells Streets, right in the heart of Chicago's Financial district.

Missing Securities Believed Found

(CONTINUED FROM PAGE 5)

tificates issued by the Toombs & Daily Company of Chicago and redeemable within 90 days. Toombs, acting under this resolution on or about June 15, secured from the holding company about 12,800 shares of its life company stock but failed to pay anything for it. As stated, 9,000 shares of this stock was used, apparently, to take up 9,000 shares of the over-issue stock, while the remaining 3,800 shares are said to have been used as collateral on a \$130,000 loan negotiated by Toombs in St. Louis.

Receiverships Effective

In the meantime the federal and state receiverships affecting the company are held in *statute quo* and Robert Daly, actuary for the Missouri department acting for Superintendent Ben C. Hyde, is nominally in charge of the company's affairs.

The commissioners from nine states are endeavoring to bring about a compromise that will eliminate both receiverships and enable the Missouri department speedily to reorganize or reinsure the company for protection of policyholders and stockholders. Governor Sam Baker has publicly advocated this plan, and also stated Missouri at its next general assembly, which convenes in January, 1929, will move for more stringent life insurance company laws.

Banks May Not Lose

An attorney interested in the International Life company's affairs commenting on the over-issue of stock said that under a recent ruling of the United States Supreme Court the banks and others who loaned money on this stock probably would not lose anything. Stock issued in this manner would be treated as a preferred claim against the company. The 10,000 shares would have a par value of \$250,000 if properly issued. Prior to the publication of the results of the examination and other subsequent developments International Life stock was quoted at \$75 to \$85 a share.

Darst when first questioned concerning the 10,000-share certificate stated it had been issued only temporarily and later recalled. However, when shown a photostatic copy of the certificate held by the New York bank he said: "Yes, that's the certificate." He said this certificate was taken from a stock book used by Toombs. Vice-President McReynolds was questioned at length concerning the \$3,562,000 in securities not accounted for.

McReynolds' Version Given

His version of the relations of Toombs & Daily Company with the International Life follows:

Shortly after Toombs obtained control of life company he suggested to the board of directors that the company buy for cash from Toombs & Daily Company about \$3,500,000 in bonds and other sound securities, saying that a prominent and experienced life insurance man had advised him a company the size of the International Life needed this sum in good liquid assets. The board of directors did not approve the plan at that time, believing it not advisable to buy from Toombs own company.

"If I get the insurance department's approval will it be all right?" Toombs asked the director.

"Certainly," he was told.

He made a trip to Jefferson City and returned with a written authorization for the deal, bearing the signature of an official of the Missouri department. The sale was consummated.

Later, when the time for the convention examination of the company was approaching, Toombs suggested that the Toombs & Daily securities be replaced by municipal, government and public utility bonds. The directors agreed to this and the exchange was made. Apparently the company received Toombs

& Dailey interim certificates in lieu of the new securities.

"Big Deal" Planned

About two months later Toombs told other directors that he had worked up a big deal whereby the company would be able to dispose of all its undesirable real estate and close realty mortgages, etc. The directors thought it a wonderful deal as explained to them, and approved. After going to Chicago in connection with this transaction Toombs wired that he needed the \$3,500,000 in securities to swing the deal, to "sweeten it up for the new buyers." It was understood the company would get cash and the securities were sent on that basis.

company accept time certificates of deposit

Later Toombs endeavored to have the company accept time certificates of deposit issued by the Downers Grove, Ill., bank he heads for the securities. This was rejected by the other directors and Toombs was instructed to return the securities at once. This he has failed to do. Subsequently he explained to other directors that some of the securities had been traded for real estate mortgages and that when certain steps had been taken to record the new mortgages the bonds, mortgages, etc., would be sent to St. Louis.

Securities "Tied-Up" Claim

Attorneys for Toombs are preparing a statement for their client in which he will declare that the \$3,500,000 in securities are not missing but "tide up" and can be restored to the company within 30 days.

The company has suspended writing new business pending reorganization or reinsurance. The insurance department of a number of states have already canceled the company's license, while others have served it with notice to show cause why the license should not be canceled in those states.

The Missouri State Life and the Kansas City Life are both prepared to offer substantial reinsurance propositions to the company when there is someone in a legal proposition to accept such propositions. Either plan will protect policyholders and the stockholders as well. The commissioners are about agreed that reorganization is now impossible and prefer a reinsurance plan.

Massey Wilson, former president of the company and reputed owner of 2,000 preferred shares of the International Company, holding organization, in a statement issued Tuesday denied that he was blocking plans for reorganization or reinsurance through federal receivership for selfish ends, saying that he is interested solely in saving the company he founded. William L. Mason, attorney for the federal receiver, said that the state should step aside and permit the federal receivers to reorganize the company for the best interest of policyholders and stockholders.

Action on the federal receivership has been continued until Aug. 15, when United States District Judge Albert Reeves, who issued the temporary orders in that case, will return to Kansas City.

Wilson Makes Statement

In his statement Massey Wilson said in part:

"Persistent reports that I am interested in the affairs of the International Life exclusively for the purpose of regaining control are due entirely to misapprehension. My associates and I sold control over four years ago, after 17 years devoted by me toward building a great and sound life insurance company and I have never since had any interest that was not dictated exclusively by a desire to see the company prosper and its stockholders rewarded for their investment."

"We have had recourse to the protection of the federal court to prevent mis-

guided people of whatever intentions from despoiling the stockholders. I myself have \$90,000 of stock at stake and I have a flood of telegrams and letters from all over the United States from policyholders and stockholders who are calling on me to safeguard their interests."

"My main purpose is to preserve the company from persistent attacks that have been made against a continuance of its operations since it was exposed to the possibility of such attacks by a discovery that \$3,500,000 of its funds have been recently diverted."

Receiver's Counsel Speaks

W. L. Mason, attorney for Receiver E. P. Wilson, said in part:

"Whatever delay and loss may have resulted to the policyholders and stockholders of the International Life through alleged conflicting jurisdiction of the state and federal courts is due to the unnecessary suit brought in the state court by the superintendent of insurance of Missouri. In our opinion, this suit in the state court can have no effect other than to delay the final, permanent assumption of jurisdiction of the affairs of the International Life by the United States District Court and its final adjudication and disposition of its affairs."

Non-Residents Affected

"Non-residents of Missouri interested to the extent of several hundred thousand dollars in the assets of the International Life have sought and are seeking the jurisdiction of the United States District Court through Judge Reeves at Kansas City, under the following circumstances and for the following reasons:

It had become obvious to all persons interested in the International Life and familiar with its affairs, that the control of that company could no longer be left in the hands of its officers and directors, under whose management there had accumulated within the past year a deficit of over \$3,500,000 through alleged misappropriation by its president.

"As a matter of fact, an examination had been in progress for some time by various insurance commissioners, and they were in possession of its books, records and documents and assets without any authority to adopt and legalize any plan or scheme for the reorganization or liquidation of the company.

"The \$40,000,000 of assets of this company belong equitably to its policyholders and if anything is left after satisfying their claims, to its stockholders. The policyholders and stockholders are citizens of every state in the Union.

Court Authority Questioned

Under the laws of Missouri no authority is, in our opinion, given to a court of Missouri to appoint a receiver in a suit instituted by the superintendent of insurance. If such suit is instituted in the Circuit Court of St. Louis, the court can simply declare the company insolvent and decree its dissolution and thereupon under the state law the possession and control of its assets and the title to its assets are vested in the superintendent of insurance, not by virtue of any order of the Circuit Court, but under the statute of Missouri and as superintendent of insurance.

"In our opinion the United States District Court has the right and the imperative duty to protect its jurisdiction by enjoining the superintendent of insurance of Missouri or any other person from interfering with its control of this property, and we believe that it will do so. However, if its jurisdiction is resisted, this will, of course, take time, all to the detriment of the policyholders of the International Life and its stockholders."

Starts Insurance News

The "State Journal" of Lansing, Mich., in the near future will have a feature section devoted to insurance. A number of papers are now taking up insurance, largely to attract advertising.

PRAISE BY DETRICK AT CLIC CLUB CONVENTION

COMPANY GETS CLEAN BILL

Continental Life Men Stirred by Tribute of Commissioner on Examination Results

ST. LOUIS, Aug. 16.—The 1928 Clic Club convention of the agents of the Continental Life of St. Louis, Mo., at its first session at St. Louis, Aug. 13, was electrified into the utmost enthusiasm when President Ed Mays read a letter written by Commissioner Charles R. Detrick of California which stated that the convention examination of the Continental recently completed by examiners from eight states had revealed the company to be in sound financial condition and under most capable management.

It was the one thing that most of the 70 agents attending the convention had journey to St. Louis to hear. They had read in the public press of the difficulties of the International Life and knowing that in the original conflict between the California and Missouri departments the Continental and International were linked, some were rather anxious to get "the inside" on their own company.

Wired for Report

It had been hoped that a complete copy of the convention examination would reach St. Louis in time for the first session of the Clic Club convention. Nelson B. Hadley, chief examiner of life companies for the New York department, and J. Sackman, also of New York, who had directed the rigid examination of the company as the technical representatives of the Missouri department, had wired east for the final report but it was delayed.

Commissioner Detrick, when informed that the report would not reach St. Louis in time, wrote a personal letter to President Mays setting forth the general findings of the commissioners to be read to the agents.

Company in Excellent Condition

Mr. Detrick pointed out that the audit of the company's books, which had extended over a period of three months, showed that the company is in excellent condition and that the president and other officers of the company made a very good showing in clearing up the accident and health losses and removing other conditions that were not entirely satisfactory. He warmly congratulated the officers and their agency organization for the showing made by it in the convention examination, and he especially extended his greetings to the California agency forces, stating that he hoped the company would enjoy the utmost prosperity in the Golden Gate state.

Cooperated With Examiners

In his letter he pointed out that when the convention examiners first visited the Continental Life, President Mays opened all of his personal and private books and accounts as well as the company's records and aided in every way the examination. All other officers of the company also cooperated with the examiners in every way possible, Detrick said. The examination report was formally adopted on Aug. 1.

In addresses on Tuesday, Robert E. Dalv, actuary and acting superintendent of Missouri, and S. M. Saufley, Kentucky commissioner, addressed the Clic Club and also assured the agents of the soundness of the company they represented and complimented the present management for the manner in which the company's affairs are being administered.

President Mays also increased the enthusiasm at the opening meeting by informing the agents that he is now de-

(CONTINUED ON PAGE 28)

NYLIC INCENTIVES and AIDS TO SUCCESS

Pioneering

Q Progress always requires pioneering. Someone must take the first steps, must lead in the exploring of new fields, must "go before and remove obstacles for those who follow."

Q In order to fulfill its obligation to humanity, life insurance must seek new ways of service, in addition to extending the old. And so it must have pioneers. The New York Life has always recognized this obligation.

Q Many years ago this Company undertook to pioneer in the field of sub-standard risks.

Q After a long and intensive study of declined cases, it found that special rates could be calculated, permitting, with safety, the acceptance of many risks which previously had been rejected.

Q On July 1, 1896, the Company issued its first sub-standard policy. Since then, the writing of insurance on impaired lives has been a part of the New York Life's regular service to the public, and has gradually been adopted by a majority of the larger companies.

To-day, Nylic Agents are enabled to obtain insurance for approximately three out of every five clients who otherwise would be declined.



New Home Office Building now being erected on the site of the famous old Madison Square Garden

NEW YORK LIFE INSURANCE COMPANY
DARWIN P. KINGSLEY, President
346 BROADWAY, NEW YORK

STOCK INVESTMENTS ARE QUITE POPULAR

Survey Shows Trend of Times Among the Leading Insurance Offices

SEEK A HIGHER RETURN

Change in Relative Position of Various Types of Securities Is Shown in Report

NEW YORK, Aug. 15.—A pronounced trend toward investment by insurance companies, other than life companies, in stocks, rather than in bonds and mortgages, is shown by a survey on the distribution of insurance company investments, published by J. G. White & Co., 37 Wall St. The survey, which compares the combined investment accounts of various types of companies over the past four years, shows an increasing decline in the percentage of bond and mortgage holdings of fire, casualty, and miscellaneous insurance companies, and a sharp increase in stock investments over the period 1924 through 1927.

This change in the relative percentages of bond, mortgage and stock in an attempt by insurance companies to maintain a high current return on investments, in the face of the rising security prices that characterized the period studied. As a result of this reconstruction of investment holdings, fire companies whose stock investments represented only 55 percent of total assets in 1924, had increased stock holdings to 61 percent of the total on Dec. 31, 1927, while bond holdings declined from 42 percent to 37 percent of the total combined portfolios.

Among fire companies whose stock holdings represented less than 40 percent of total investments in 1924, the trend has been even more pronounced. Comparison of figures for companies in that classification shows a decline in bond holdings from 76 percent to sixty-five percent and a gain in stock investments from 19 percent to 31 percent during the past four years.

Casualty and miscellaneous companies, whose stock holdings represented 15 percent of total investments in 1924, show 23 percent of total funds invested in stocks on Dec. 31, 1927. Bond holdings meanwhile dropped from 79 percent to 72 percent.

Life companies show a slight decline in bond holdings, a compensating increase in the percentage represented by mortgages, and virtually no change in the percentage of stock investments.

During the four years covered by the survey, life companies have been prohibited by law from purchasing stocks. However, the passage of the Wales-Merriam act in the New York legislature, which lightens the restrictions surrounding stock purchases by life companies, may fairly be expected to lead to a considerable increase in the percentage of stock holdings of such companies in the future.

Under the Wales-Merriam act life companies are now permitted to invest in preferred and guaranteed stocks of companies which have earned 4 percent or more on all capital stock outstanding in each of the five preceding years, provided the life company shall not invest more than 2 percent of its own assets in the stock of any one company, or hold more than 10 percent of stock of any corporation.

Insurance company bond accounts, in addition to representing a smaller per-

centage of total investments, underwent a considerable change in make-up in the past four years, according to the J. G. White survey. Percentage of holdings in government bonds declined sharply among all types of insurance companies and the percentage of municipal bonds was reduced in most groups. Public utility bonds showed the most decided increase, while holdings of industrials and rails were also increased in most instances.

BASE CHARGE ON EXPERIENCE

Study of Deaths of Navy Flyers Causes Increase of Rate in Aid Association

WASHINGTON, D. C., Aug. 16.—Following study of deaths of aviation members of the Navy Mutual Aid Association, an insurance organization of naval service men, which revealed 37 in the past three years, it has been announced at the Navy Department that because of the dangerous vocation, aviation members have been ordered by Secretary of the Navy Wilbur to pay a premium of \$99.24 a year on the \$7,500 insurance policies carried by them in the organization.

It was explained at headquarters of the association that it was the last of many insurance organizations to demand premiums on aviators, other service and commercial organizations having long since assessed aviators premiums of \$25 to \$50 on each \$1,000 of insurance carried.

It was said that 85 percent or 550 of the naval pilots and observers belong to the association, but that many of the younger and unmarried pilots, some of whom had been killed in accidents during the past three years, did not belong.

EXCELLENT PROGRAM FOR COLUMBUS MUTUAL MEETING

The Columbus Mutual Life is preparing for a big and interesting occasion at its annual agency meeting in Columbus, O., Aug. 22-24. On the afternoon of the first day the speakers will be Darby A. Day of Chicago, manager of the Union Central Life and James Victor Barry of New York, vice-president of the Metropolitan Life. President C. W. Brandon has extended an invitation to the life insurance men of Columbus to attend this session. The meetings will be held in the Elk's Club. Among the speakers for the rest of the meeting are M. D. Donham, general agent, National Life of Vermont at Columbus; J. P. Sullivan, of St. Louis, manager of the Lincoln National Life, Dr. Charles J. Rockwell, editor of the "Insurance Salesman"; Vice-President and Medical Director W. B. Proctor; Actuary Carl Mitcheltree; C. F. Durrant, E. R. Kuck, Henry A. Sprow, Elmer A. Newark of the Columbus Mutual agency staff. George J. Abdella, leading producer of the company, will be the honorary chairman.

SEABOARD LIFE HOLDS CONVENTION AT CAMP

HOUSTON, Aug. 16.—The Seaboard Life of Houston opens an informal convention today that is something new in the insurance convention field of this section. Instead of the usual convention held in the city, Texas agents from all sections of the state, their families, officials, and employees of the home office have gathered at Camp Mystic, which is located on the Guadalupe River, 18 miles from Kerrville, Texas.

About 100 insurance people have gathered for a full week of play and work. The mornings are to be devoted to training courses in the field of insurance; the afternoons are given over to sports as swimming, fishing, horseback riding, boating, golf, and other sports, while the evenings are devoted to entertainments.

INTERNATIONAL LIFE IS DECLARED INSOLVENT

(CONTINUED FROM PAGE 3)

meet the apparent shortage in reserves a total of \$2,951,963 is needed.

This report is signed by Nelson B. Hadley, chief examiner of life companies for the New York department, who represented the Missouri department in the examination; and examiners from Missouri, California, Iowa, Kansas, Kentucky, Montana, South Dakota and Oklahoma. It is dated July 28, or four days after Roy C. Toombs, president of the International Life, admitted to six of the examiners in Chicago that he was not then in a position to produce the securities alleged to be missing and refused to permit an examination of the accounts of the Toombs & Daily Company, the Chicago investment banking house which he also heads.

Charges Numerous

The examiners charge in this official report that President Toombs used the International Life as an annex for the operations of his Chicago investment house; that he treated the life company as his personal property, using its funds in violation of the law, and that the other members of the company's finance committee, George E. Toombs, treasurer, and Vice-President T. J. McReynolds, carried out the wishes of Roy C. Toombs in every way. They further charge that the other directors of the company failed in their duty. Another charge made by the examiners in their report is that the annual statement was false in regard to the \$3,446,000 in bonds purchased, and that the funds of the life company have been so manipulated that it is now insolvent.

Financial Dealings Analyzed

The report deals at length regarding the financial dealings of the life company with the Toombs & Daily company. In this connection the report reads:

"The president of this company, Roy C. Toombs, is the head of an investment corporation of Chicago, known as Toombs & Daily. Mr. Toombs is also president and the largest stockholder of the State Bank & Trust Company of Downton's Grove, Ill. The records and books of this company show conclusively that the company has been used simply as an annex of above investment brokers, Toombs & Daily. The so-called bonds and accrued interest to the amount of \$3,562,952.24, which should be in possession of the company, for which Toombs & Daily have received cash or its equivalent, have been unaccounted for. Your examiners have requested an explanation respecting these transactions and have been unable to secure any explanation whatever. Harold Woodward was brought here from the State Bank of Downton's Grove in February of this year to take charge gradually of the investment department of this company.

"He states that the company never received any actual bonds for the above amount, but all it did receive was a so-called interim certificate of Toombs & Daily saving that the above company was entitled to such and such bonds, the interim certificate giving descriptions. Even these interim certificates were taken from the possession of the company to Toombs & Daily by Mr. Woodward on June 19.

Securities Bought, Sold

"This manipulation of the bonds of this company is shown by the fact the securities purported to have been purchased on Dec. 31, 1927, from Toombs & Daily were sold back to this same firm in June, a few days prior to the beginning of this examination.

"An examination of the company's collateral loan account in the general ledger disclosed very peculiar entries on the credit side of the account which we could not account for, and upon request-

ing an explanation the employee in charge of the investment accounts stated he had been furnished data upon which to make these entries. He stated that he understood that a proposed deal had fallen through and he claimed when first questioned regarding this that the data for the entries had been destroyed.

Bookkeeper Alters Story

"Later, Russell Fyock, the bookkeeper of the investment department, who made the above statement, was placed under oath by your examiners and acknowledged that the data and entries had not been destroyed and later in the same day same were furnished to us. This data indicated that the company was going to dispose of approximately \$7,000,000 of securities of which the \$3,562,952.24 of bonds and accrued interest above referred to were a part, but there was no information anywhere in the records or books of this company indicating why these entries were originally made nor the method by which the payment for the securities was to be made to the company, if any. The data and entries have the appearance of an attempted manipulation of the company's assets which failed for some reason.

"At a meeting of the board of directors of the International Life on Oct. 25, 1927, a resolution was adopted, stating:

"Whereas, International Life desires to make to Great Southern Life stock syndicate and E. P. Greenwood certain loans; and

"Whereas, In order to make said loans it is necessary that the company borrow the sum of \$650,000, and there not being at this time sufficient available cash in the hands of the company to complete said loans."

Loan Is Authorized

"The president and secretary were then authorized to borrow from the First National Bank of St. Louis for a period of 90 days the aggregate sum of \$650,000 in order to complete the above-mentioned loan. The company borrowed the above amount, paying 6 percent on the same, putting up certain securities in possession of the company as collateral for the loan and made the loan through Great Southern Life stock syndicate as indicated above, which also bore interest at the rate of 6 percent. It is apparent that the officers of the company were not making this loan for the benefit of the International Life but for the benefit of some person or persons unknown to your examiners."

The laws of Missouri and of Texas permit life companies to make collateral loans on the stocks of other life companies as securities. The loan above mentioned was made on stock of the Great Southern Life with a market value more than twice the total of the amount loaned by the International Life. It is known that the insurance commissioners of the several states do not question the sufficiency of the collateral backing the loan to the Great Southern Life stock syndicate and E. P. Greenwood.

In their report the examiners also list the remittances by check and bonds made by the International Life to Toombs & Daily. Remittances made were as follows:

Oct. 1, 1927.....	\$200,000
Oct. 5, 1927.....	50,000
Nov. 1, 1927.....	800,000
Nov. 3, 1927.....	100,000
Nov. 3, 1927.....	466,161
Nov. 4, 1927.....	100,000
Nov. 7, 1927.....	190,679
Dec. 7, 1927.....	50,000
Dec. 9, 1927.....	250,000
Dec. 31, 1927.....	657,539
Jan. 10, 1928.....	61,650
Jan. 31, 1928.....	70,000
Feb. 13, 1928.....	10,000
March 12, 1928.....	11,600
March 14, 1928.....	15,000
March 29, 1928.....	10,000
March 30, 1928.....	15,000
April 20, 1928.....	30,000
May 7, 1928.....	25,000
June 2, 1928.....	185,000
June 30, 1928.....	19,879

Continuing, the examiners' official report reads:

"No explanation appears on the rec-

ords of books of this company for what purpose these remittances were made to the above firm, and the company received no benefit therefrom excepting that the above referred to interim certificates were in possession of the company up to June 19, when they were taken to the office of Toombs & Daily at Chicago."

Real Estate Deals Scrutinized

The examiners also went deeply into various real estate transactions in which the International Life was a party, especially those in which property taken in on foreclosure were traded for other real estate of greater value, the company paying the difference in cash. The legality of these excess cash payments is questioned by the examiners in connection with two of such deals. The properties in question are the St. John's properties in Kansas City, carried on the books of the company at \$406,900, and that of the Stanleigh Hotel of Chicago, carried at \$248,771. These total \$655,671 and were completely disallowed by the examiners, figuring in the \$2,014,463.39 impairment of the company reserves.

"On Oct. 25, 1927," the report continues, "the International Life purported to sell an \$850,000 mortgage to the First National Bank of St. Louis, agreeing to repurchase the same in 90 days. This is in effect a loan of \$800,000 by the International Life at 6 percent interest.

On Oct. 24, 1927, the International Life drew a check for \$800,000 to make a deposit with the Baltimore Trust Co. of Baltimore, Md. The authority to open this account was not granted the company until Oct. 25, 1927. The records of this company show that a check was drawn payable to Toombs & Daily for the full amount of this \$800,000 on Nov. 1, 1927, and was endorsed by Toombs & Daily to the Baltimore Trust Co. of Baltimore, Md."

The examiners discuss at some length this \$800,000 check, explaining that Vice-President McReynolds when questioned concerning it said the company had received securities for this money. The examiners add that Mr. McReynolds promised to produce a list of these securities, but neither such list or other explanation was given by him.

A "Miscellaneous Suspense Account" found by the examiners is given several paragraphs in their report, their conclusion being that it was nothing more than an account with Toombs & Daily. They further conclude that the securities alleged to have been involved in the transactions between the International Life and Toombs & Daily were never actually in the possession of the life insurance companies.

Statement Falsified, Charge

Touching on the annual report made by the International Life to the various state insurance departments the examiners charge that this statement was falsified in that it did not reflect the annual bond transactions of the life company as shown on its books. The company's records, it is stated, show that it actually purchased \$3,590,955 in bonds during 1927, of which \$3,466,205 were secured from the Toombs Daily Company. President Toombs is said to have stated under oath that these bonds were secured during November and December, while the annual statement shows that \$467,500 of the bonds were neither acquired nor disposed of and the balance acquired on Dec. 31, 1927.

The report points out further that between Jan. 1 and June 30, 1928, \$3,441,897.50 of securities were disposed of, all but \$10,500 on June 30, apparently. The June 30 transaction included the identical bonds which company records indicate were purchased from Toombs & Daily on Dec. 31, 1927, and June 5, 1928. The examiners state that the company's books show this credit item to the bond account, but no offsetting debit entry could be found.

The personal appearance of President Toombs before the examiners in St. Louis prior to the visit of the six exam-

iners to Chicago is then touched upon. In this connection the report states:

"After placing Mr. Toombs on oath and hearing his testimony, Mr. Toombs was told that it was considered necessary that the examiners should visit the offices of Toombs & Daily and investigate all these transactions. Mr. Toombs at that time acquiesced in this proposal. With this understanding six of your examiners went to Chicago and were on hand at the office of Toombs & Daily on Monday morning, July 23, 1928. Formal demand was made by your examiners on Mr. Toombs for permission to examine the securities belonging to the International Life, also for permission to examine the records pertaining to various transactions between Toombs & Daily and the International Life.

"Mr. Toombs denied your examiners the right to make the investigation at that time and stated in a signed statement that the securities and records pertaining thereto as well as the records of other transactions mentioned would be available for the investigation and inspection by your examiners the next morning.

"Your examiners accordingly made their appearance at the office of Toombs & Daily on July 24, and again requested permission of Mr. Toombs to examine the securities belonging to the International Life. Mr. Toombs advised your examiners that he was unable at that time to produce the securities and refused to permit an examination of the records of Toombs & Daily and requested more time to get his affairs in shape.

"Your examiners are now in possession of a signed statement by Mr. Toombs to the effect 'It is necessary that I have further time in which to prepare my records in connection with the examination of Toombs & Daily Company and the securities which belong to the International Life; therefore I cannot submit to you the records and securities at this time.'

Account Finally Obtained

"After considerable effort we were enabled to procure an account of what was claimed to be a contract for the sale of certain collateral loans and real estate and deeds of trust of the International Life. This contract purports to be an agreement between the International Life and the Toombs Trust Company, which we understand has recently been organized. As an actual fact, it is not a contract of sale, but the interpretation given by your examiners is that it simply provides for the listing of these assets of the company with the Toombs Trust Company, which was to dispose of them and receive a 5 percent commission therefor. No mention whatever is made in this contract of the bonds or securities referred to heretofore from time to time.

"The president of this company is apparently treating the company as a personal concern, using its funds in violation of the law. The other two members of the finance committee apparently carry out his wishes in every way. The directors of the company have not asserted themselves in performing their duties as directors of a life insurance company. The president and his representatives have manipulated the funds of the company in such a way that the company is now insolvent. Its condition is hazardous to the public, its stockholders and policyholders. As soon as knowledge concerning the condition of this company reaches the public there will undoubtedly be efforts by various policyholders and other creditors to withdraw their equity in the company, and should this result it would place them as preferred creditors.

"It is the opinion of your examiners, therefore, that prompt action should be taken to protect all interested parties."

DEPARTMENTS ACT

License of the International Life to operate in Oklahoma was cancelled Monday on telegraphic instruction from

Jesse G. Read, Oklahoma commissioner who is now in St. Louis assisting in adjusting the company's affairs. There are 61 agents of the company in the state, and their licenses are automatically suspended pending further action in regard to business transacted by the company.

Commissioner Saufley is also reported to have taken action against the International Life operations in Kentucky.

The Ohio department this week canceled the license of the International Life of St. Louis and its Ohio representatives. The company has about 60 representatives in Ohio.

Commissioner Cousins has ordered suspension of writing policies by International Life in Texas but advised policyholders to continue payment of premiums. Company had 10,205 policyholders in Texas as of Dec. 21 last totalling \$30,760,062 insurance.

G. R. Whitlock, state manager for the International Life, has been ordered by Commissioner Dumont not to permit agents to write any new business. The International has had an excellent agency organization in the state, and was

among one of the leading producers, with more than \$15,000,000 in force.

Upon petition of Commissioner Ray Yenter of Iowa, District Judge O. S. Franklin granted the Iowa department title to \$1,910,000 worth of securities on deposit with the department by the International Life. The company was also enjoined from doing further business in Iowa and temporary receivership was asked, a hearing on which is to be held at Des Moines today (Friday). The securities cover the cash value of policies written by the Provident and Standard insurance companies of Des Moines, both of which were reinsured by the International. Mr. Yenter's petition, which was filed by Attorney-General John Fletcher, states the Iowa department believes the International Life insolvent and that \$3,500,000 worth of assets of the company have been misappropriated. It is also reported commissioner Yenter is sending letters to Iowa agents of the company revoking their licenses.

The Minnesota department has notified agents of the International Life to cease writing business in the state for that company. The license of the company has been held up since July 1.

Make Semi-Annual Report in Georgia

(As Reported to the Governor of Georgia)

	June 30, 1928			
	Assets	Surplus	Income	Disbursements
Aetna Life	\$ 356,995,789	\$ 41,545,441	\$ 64,233,809	\$ 48,223,713
American Central.....	15,118,708	773,068	2,444,171	2,333,938
Bankers, Neb.....	19,482,936	1,879,663	2,373,641	1,836,712
Conservative, W. Va.....	5,301,897	690,951	799,918	512,578
Gem City.....	1,626,781	271,338	435,038	320,181
George Washington.....	4,809,122	532,442	542,172	435,233
Home Life, New York.....	64,679,446	4,143,110	7,194,074	4,966,853
Jefferson Standard.....	42,210,714	3,000,000	6,145,173	4,511,260
John Hancock Mutual.....	471,869,636	36,570,068	66,157,429	48,746,026
Life Insurance Co. of Va.....	58,951,015	7,733,997	8,161,808	7,436,592
Manhattan Life.....	19,723,548	921,535	1,686,866	1,616,152
Maryland Life.....	5,476,276	459,159	409,959	337,657
Massachusetts Mutual.....	309,056,583	8,821,730	46,028,886	27,583,001
Massachusetts Protective Life.....	1,341,587	465,763	284,329	118,107
Metropolitan Life.....	2,524,887,376	194,889,552	376,735,179	245,212,758
Missouri State Life.....	84,435,994	13,871,794	9,792,973
Morris Plan.....	1,081,584	740,786	381,583	276,990
Mutual Benefit Life.....	501,493,102	*33,599,335	55,917,395	39,946,529
National Life, Vt.....	113,617,893	6,968,737	12,488,910	8,989,596
National Life & Accident.....	21,490,626	4,072,427	9,941,631	8,746,312
New England Mutual.....	210,069,797	18,300,146	15,295,989	16,243,550
New York Life.....	1,467,372,805	167,379,022	101,521,137
No. Carolina Mutual.....	3,031,682	139,566	1,005,059	939,207
Old Colony.....	4,534,114	302,510	724,247	607,101
Pan-American Life.....	21,815,037	2,373,146	3,218,279	2,099,740
Peninsular Casualty.....	828,287	337,586	655,681	618,910
Penn Mutual Life.....	382,569,161	44,271,698	28,087,759
Reliance Life.....	51,311,203	2,923,733	8,397,319	5,024,425
Southeastern Life.....	3,475,290	301,176	530,589	361,874
State Life, Ind.....	43,547,744	2,284,827	5,051,976	3,412,352
State Mutual Life, Mass.....	122,393,932	12,141,546	13,715,530	9,292,115
Volunteer State.....	13,862,600	1,750,000	1,658,574	1,121,362

*Contingent Reserve Funds.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA



Royal Union Life Building
Cor. Seventh and Grand Ave.,
Des Moines, Iowa

POLICIES FOR THE ENTIRE FAMILY

The Royal Union offers policy contracts at every age from one day old to age 60.

Our Juvenile policies, written on children as young as one day old, go into full benefit automatically at age 5 without re-examination — a big winner!

We write women on equal basis with men.

We feature a special low-rate policy to business and professional men.

ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

A. C. TUCKER, President

"RAIL SPLITTERS CLUB" MEETS

Three Business and Educational Sessions Held by Abraham Lincoln Life's Leading Producers

About 50 agents of the Abraham Lincoln Life attended a successful convention of the company's "Rail Splitters Club" at Detroit. The meeting was called to order by S. M. Feffer, vice-president and agency director of the company, who was enthusiastically applauded for his address. A. D. Freyer, manager of the sales promotion department, spoke on "The Buyer's Mind" and "Eye and Ear Selling." C. D. Livingston, Michigan commissioner, addressed the luncheon meeting of the first day of the convention. The afternoon was spent in recreation.

James Fiarlie, vice-president and actuary of the company, was the first speaker on the second-day program. He gave an educational talk on "Premium Reserve." Mr. Freyer was the second speaker, his subject being "Buying Motives." The third speaker was Fred Hooker, general agent at Vandalia, Ill., whose subject was "How to Sell the Estate Accumulation Policy." Dr. John R. Neal, secretary and medical director, was the luncheon speaker on the second day of the convention.

O. F. Davis, assistant agent director was the first speaker of the last day's session. He spoke on several subjects, the first of which was "The Proper Method of Canvassing." Dan O'Neill, Ludington, Mich., general agent of the accident and health department, followed Mr. Davis with a sales talk. Mr. Feffer was the last speaker, his subject being "Plans For the New Club Year." The luncheon speaker at the last day's session was H. B. Hill, president of the company. "Our Interest In You," was his subject.

Rule on Women Liberalized

Greatly liberalized rules for the underwriting of female risks have been announced by the New England Mutual Life. In the future the company will insure married or unmarried women with property or with earned incomes of their own, for any amount within the table of limits now in force. Only those with earned incomes will be eligible for disability and double indemnity clauses. The company will insure married women without property or earned incomes for \$5,000 or less, such risks not being eligible for the disability and double indemnity clauses. In the first classification the beneficiaries may be named without restrictions, but in the latter estates, children, husbands or parents only may be named as beneficiaries.

MINNESOTA

WE are now ready to offer to acceptable men Direct Home Office General Agency Contracts in the State of Minnesota. If you feel you are capable and qualified to develop a real agency, then here is your opportunity. Our contracts provide for liberal first year commissions and non-forfeitable renewals.

Our policies are fair and liberal, the net cost on a low, competitive basis. All Standard Policies are written with or without Total and Permanent Disability, Premium Waiver and Double Indemnity.

Thirty-two years of experience with Monthly Payment plans has taught us that installment buying is here to stay. Every policy issued by this company may be sold on the monthly installment basis. Our \$1.00 a Month Policy gets the business where others fail. It is issued on a very short non-medical application, to children from six months to nearest age 9, and the adult form from nearest age 10 to nearest age 60. Why not investigate? Write direct to the Home Office.

Serve and Succeed With The

Springfield Life Insurance Company SPRINGFIELD, ILLINOIS

A. L. HEREFORD
President

C. HUBERT ANDERSON
Superintendent of Agencies

GENERAL AGENCY OPENINGS

Capable men looking for a life-time connection with a strong, progressive Company under a very liberal General Agency Contract are invited to investigate our proposition for any one of the following cities and surrounding territory. Complete life insurance service. Other good territory also available.

FLORIDA

Tallahassee
Jacksonville
Tampa

IOWA
Burlington
Cedar Rapids
Des Moines

OHIO
Toledo
Springfield
Lima

ILLINOIS

Springfield
Peoria
Bloomington

MICHIGAN
Flint
Jackson
Kalamazoo

OKLAHOMA
Oklahoma City
Muskogee
Tulsa

INDIANA

LaPorte
Richmond
Bloomington

MISSOURI
Jefferson City
Hannibal
Springfield

WISCONSIN
Sheboygan
LaCrosse
Stevens Point

A. O. Hughes, Vice-President in charge of Agencies

Farmers National Life Insurance Company OF AMERICA

3401 South Michigan Ave., Chicago, Illinois

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Sherman M. Strong of the Joseph H. Strong general agency of the John Hancock Mutual Life in Chicago is following in the footsteps of his noteworthy father. The elder Strong, who is general agent, in his palmy days held the record for personal production in the Chicago field. His son has been associated with the agency for 13 years. He graduated from Brown University and entered the employ of the John Hancock in 1915. Therefore, his business career has been with this company. He has been a strong personal producer from the start. Joseph H. Strong is one of the veteran life insurance men of the west. Before becoming general agent of the John Hancock, he was for many years Chicago general agent of the United States Life. He entered the insurance business at Rock Island, Ill., in 1877. He became assistant manager of the western department of the United States Life in 1885 and was made manager two years later. He became general agent of the John Hancock in 1906.

William Audley White of Newark, N. J. will have completed a quarter of a century of service with the John Hancock Mutual Life on Oct. 1. He is New Jersey state agent of the company. His achievements constitute an important chapter in the company's history. Mr. White was born at Macon, Ga., 60 years ago. When he was 11 his family moved to Lake Jeffut, Fla., and later moved to Orlando, Fla. He received his primary education in the public schools and then attended the state normal school at Baltimore.

Robert J. Maclellan, president of the Provident Life & Accident of Chattanooga, did a very graceful thing when the Southern States Life held its agency convention at the Lookout Mountain hotel, on Lookout Mountain. Mr. Maclellan sent a huge basket of flowers with a note of greetings and congratulations to the members of the Anniversary Club, which is the agency club of the Southern States Life.

Insurance methods are widely different in Europe from those in America according to **Ralph L. Rice**, president of the National Fidelity Life, after a two months study of insurance conditions abroad. Mr. Rice's tour included England, France, Germany, and Switzerland. Mr. Rice declares European insurance standards are much less advanced and much more tradition bound than those in America. He says that life insurance rates are generally higher, and benefits less.

Miss Dorothy Jones of Springfield, Ill., daughter of Vice-President **Joseph W. Jones**, of the Franklin Life, was married at St. Paul's Episcopal Church in that city to George F. Renschler. The bridegroom is a prominent florist in Madison, Wis. Miss Jones attended the University of Wisconsin during the last two years. They will make their future home in that city.

T. J. McComb, consulting actuary, of Oklahoma City, accompanied by his brother, John D. McComb and his son T. M. McComb, is in Los Angeles, having motored to the Coast on a vacation trip. The party will spend some time in southern California, visiting points of interest, enjoying deep sea fishing and other forms of rest and recreation.

A. W. Crary of Fargo, N. D., general agent of the Northwestern National Life, and a companion, also from Fargo, were held up and robbed of \$27 and a new expensive automobile in Minneapolis. Two men entered their car near a Minneapolis hotel and pressing a gun against Mr. Crary's side directed him to drive as they told him. After reaching

ing a deserted section they relieved the two men of their cash and made way with the car.

Joseph B. Reynolds, president of the Kansas City Life, who has been ill for several weeks is reported feeling better.

James J. Harrison, official of the Home companies of Arkansas, has been pointed chairman of the finance committee of Arkansas for the democratic party in the presidential campaign. He has wired acceptance from Ludington, Mich., where he is on vacation with his family.

W. J. Arnette, formerly vice-president and agency manager of the Volunteer State Life of Chattanooga, who is making a tour around the world, has been in Singapore, visited Java and Sumatra and is now in Australia.

Burton S. Mansfield, former insurance commissioner of Connecticut, now practicing law in New Haven, is being mentioned as one of the possible candidates for the Democratic nomination for governor of Connecticut.

W. G. Wilson of Cleveland, Ohio manager for the Aetna Life and affiliated companies, is spending his summer with his family at Spring Lake, New Jersey. He is a frequent visitor in New York city in connection with his many business interests.

President David S. Dickenson of the Security Mutual Life of Binghamton and Mrs. Dickenson are on a trip through the Canadian northwest and Alaska. They expect to return to Binghamton early in September.

B. L. Lewis of Lewis & Garvin, general agents for the Connecticut General Life at Columbus, Ohio, announces the marriage of his only daughter, Eleanor, to Arthur E. Hoover. The wedding took place Aug. 11.

Norman McClellan an agent for the Massachusetts Mutual Life in Columbus, O., died following an operation for appendicitis last week. He graduated from Ohio State University in 1926 and was married two months ago to Miss Lucy Roberts of Columbus.

A. Walker Perkins, agent for the New York Life, will be a member of the crew which Commander Richard E. Byrd will take with him on his antarctic flight in September. Mr. Perkins has been appointed a member of the expedition and will have charge of supplies on the steamer Chelsea and the auxiliary bark Samson.

Mr. Perkins tried for eight months to get the appointment and he finally went to New York several days ago and conferred with Commander Byrd. He was enthused over the trip and desired to go on it after hearing Commander Byrd lecture in Chicago last winter.

White L. Moss, formerly of Pineville, Ky., and state senator for a number of years, who now resides at Louisville, where he has been state agent for the International Life, of St. Louis, has accepted the presidency of the newly completed Louisville Life & Accident, an industrial company, which has been in process of formation for about two years. Mr. Moss succeeds W. W. Thum as president. The company is now ready to operate, and was recently examined by the state insurance department.

Harvey White, general agent for the home office department of the Inter Southern Life, of Louisville, was commissioned a colonel on the staff of Gov. Flem D. Sampson, of Kentucky.

International Life's Plight

THERE have been many inquiries made by policyholders of the INTERNATIONAL LIFE of St. Louis as to what course they should pursue in the payment of their premiums. The statement has been made and correctly so, that no policyholder of a life company on the legal reserve basis, has lost anything for many years. The nearest approach to it was the PITTSBURGH LIFE & TRUST when unscrupulous designers got an option on that company and before the Pennsylvania insurance department discovered what was up, had substituted worthless securities for good ones and had gotten them out of the state. Fortunately the METROPOLITAN LIFE came to the rescue, took over the PITTSBURGH LIFE & TRUST business and gradually worked off the liens on the reserve, so that actually there was no loss to the policyholders.

The INTERNATIONAL LIFE is a sizable institution. It has more than \$300,000,000 in force. Its assets are above \$90,000,000 and its reserves beyond \$38,000,000. To have a company of this size and reputation receive the publicity that it has during the last couple of weeks leaves the thought in the mind of policyholders that there must be something wrong with life insurance.

Life insurance in legal reserve companies has been regarded about as safe as any human possession. The restrictions about life insurance company investments and the conduct of companies are so rigid that it was supposed it would be impossible for a management to get to a point where the reserves would be impaired.

Although the INTERNATIONAL LIFE mess is complicated we believe that the policyholders eventually will not suffer a cent. Whether the company is reinsured or rehabilitated, the reserves will be made intact and there will be no loss to those holding policies in the company.

The NATIONAL UNDERWRITER offices in the different cities have been besieged by inquiries from policyholders of the INTERNATIONAL LIFE and insurance men who are not informed as to its condition, seeking advice as to the course to pursue. THE NATIONAL UNDERWRITER management has counseled policyholders to keep their insurance in force. We believe thoroughly

in the legal reserve system and even though the INTERNATIONAL LIFE undoubtedly is faced with an embarrassing situation its business will be protected in due season. It is unfortunate that there is a conflict for possession.

The plight of the INTERNATIONAL LIFE is the outcome of commercialism in life insurance. THE NATIONAL UNDERWRITER from time to time has pointed out the possible danger of the mercenary element that has invaded life insurance in recent years when the people not with any great conscience or those who have but little appreciation of the sacredness of their custody were bartering life insurance companies for selfish gain. In recent years the INTERNATIONAL LIFE has been squeezed dry by those who paid large sums to secure control. It has been bought on a shoe string and later the purchasers have found that all was not gold that glittered. In spite of the situation that has confronted the INTERNATIONAL LIFE, we still feel that the policyholders are so buttressed that their obligations will be met.

Roy C. Toombs of Chicago, head of the Toombs & Daily Company, a small investment concern, grew ambitious and sought new worlds to conquer. We do not believe that Mr. Toombs has been intentionally dishonest. He had no life insurance executive experience. Undoubtedly he felt that by taking over the INTERNATIONAL LIFE he could sell it securities. Furthermore, he had a combination investment and life insurance plan that his sales forces were selling. This would enable him to have his own company and place the life insurance in it.

When he purchased the INTERNATIONAL LIFE he did not know what was confronting him. He undoubtedly found conditions far different than what he anticipated. He has endeavored to stem the tide but has discovered himself in exceedingly deep water and the current has been strong.

It seems to us that it is time the insurance commissioners were calling a halt on the bartering of life insurance companies and commercializing the business. It is an ill wind that will blow no one any good and should be discouraged.

Jump from Sinking Ship

Not very many people would stick to a sinking ship. They would get out of it. They would jump. They would endeavor to seek a haven of safety. When,

therefore, a man is continually sticking to a case that can never be written or a prospect that cannot be closed he should jump.



A New Home —A New Goal

THE completion in October of a new 14 story home will mark the beginning of a new and larger work in the life of this old Southern Company. On July 1st Agents of Protective Life began a Dedication Contest which will end with one of the greatest insurance conventions ever held in the South.

For Men With Vision
and realizable ambitions who can qualify as General Agents and Managers, this announcement should hold a special interest.

IN

Alabama, Mississippi, Florida, Louisiana, Tennessee, Texas and South Carolina there are attractive openings which we will back with personal home office service and supervision that will insure success. *The Protective Life is given a Policyholders' rating of "Excellent" by Bests.*

Agency Service

- A department devoted exclusively to the assistance of our agents in sales planning, circularizing, field training, etc.
- Home Office and Agency training School.
- Extra contract rewards.
- An annual tour to agents who qualify.
- A circulating library.
- Specially prepared briefs for prospects.
- Monthly publications bearing agents' imprints.

Write today for a folder on "Progress and Profit with Protective Life."

Address S. F. Clabaugh, Pres.

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA

LIFE AGENCY CHANGES

TEN APPOINTMENTS MADE

Michigan Life Adds Group of Agency Chiefs as Move in Field Expansion Program

Leonhard T. Hands, vice-president and general manager of the Michigan Life, has made the following agency appointments:

Stephen Devlin, formerly with the Aetna Life, has been appointed manager at Jackson, Mich. H. E. Curtis, formerly a general agent for the Lincoln National Life, has been made general agent in Oakland county, Mich. Alexander Rosati, formerly an assistant superintendent for the John Hancock, has been made home office general agent. Harlan Davis has been made agency manager for Sanilac, St. Clair, Macomb and Huron counties, with headquarters at Port Huron, Mich. A. B. Porter, formerly with the Bankers Life of Nebraska at Detroit, has been made Detroit general agent of the Michigan Life. A. M. Roche of Lansing has been appointed agency manager in that city. Glen Munshaw has been appointed agency manager at Grand Rapids. L. A. Murdick is appointed agency manager for Flint district, with headquarters at Flint.

A. D. Bailey Accident Chief

Early this year the Michigan Life took over the business of the Union Casualty of Detroit, a health and accident company which was organized in 1907 and has been operating on the monthly premium plan. A. D. Bailey, who had been secretary and general manager of the Union Casualty since it was organized, has been appointed manager of the industrial health and accident department of the Michigan Life. R. H. MacKinnon, formerly with the Central West Casualty, has been made manager of the commercial department.

The Michigan Life has been progressing, and Mr. Hands reports the company expects to close the year 1928 with \$12,000,000 on the books.

Henry E. Shove

The Pan-American Life has announced the appointment of Henry E. Shove as manager of the Los Angeles branch, succeeding L. H. Lightfoot, resigned. Mr. Lightfoot's plans for the future have not been announced, but he will continue indirectly to be associated with the company's California agency.

Mr. Shove has had 13 years of experience with the Mutual Life, Equitable and Union Central. The past year he has been assistant manager of the Los Angeles office of the Union Central.

R. L. Gordon

R. Latimer Gordon is no longer representing the Shenandoah Life at Richmond as general agent. He and the three former members of his agency staff are all now representing the company at Richmond under direct agency contracts. Since this new arrangement went into effect, their offices have been moved from the State-Planters Bank & Trust Company building to the seventh floor of the American National Bank building. Mr. Gordon was general agent for the Shenandoah for several years, having gone with this company from the A. O. Swink agency of the Atlantic Life.

Security Mutual Life

William P. Powell and Walter S. Ogburn, in business under the name of Ogburn & Powell, have been appointed as Security Mutual Life of Binghamton agents in Winston-Salem, N. C. F. M. Sharp has also been made

TWO NEW CONTRACTS

For children, age one day to insurance age fifteen. A 20-Year Endowment and 20-Payment Endowment at 85, with PAYOR FEATURE which waives premiums and pays cash dividends in event of the death or disability of PAYOR, who may be parent, grandparent or guardian. Full coverage after age five; graded death benefits prior to age five. Specimens and rates on request.

Address Agency Department

THE MIDLAND MUTUAL LIFE INSURANCE CO.

Columbus, Ohio

Assets over \$16,000,000

In force \$98,000,000

general agent for the Elgin, Ill., territory.

Guy D. Doud

Guy D. Doud, former district manager for the Provident Life in Davenport, Ia., is preparing to open a district agency for the Sun Life of Canada in the American Commercial & Savings Bank building in Davenport.

Clifford A. Connor

The Provident Mutual Life of Phil-

adelphia announces the appointment of Clifford A. Connor to fill the vacancy of general agent in its Kansas City offices. Mr. Connor has been in the service of the company for several years.

Life Agency Notes

J. A. Kreighbaum has been appointed general agent of the Franklin Life of Springfield, Ill., at Mount Pleasant Mills, Pa.

Fuller Mynatt, formerly district manager for the Equitable Life with headquarters at Athens, Ga., has been transferred to Atlanta in the same capacity.

EASTERN STATES ACTIVITIES

AGENTS NEED KNOWLEDGE

Deficiencies of Massachusetts Producers May Now Be Overcome Through State Department Course

The insurance department of Massachusetts has started the experiment of examinations when an application is made by individual for a license as agent or broker.

This requires the possession of more or less technical knowledge on insurance subjects, something which insurance agents who are otherwise successful do not always have.

To overcome this difficulty, or to assist in getting the necessary technical information, the Massachusetts department of education, university extension, which provides courses on a great variety of subjects, has been induced through the activities of the Boston Association of Life Underwriters, to include a course on "Life Insurance Fundamentals." This course is intended to provide an adequate preparation for the state examinations which are held monthly in Massachusetts.

This interesting development of the qualification movement shows more and

more pressure from all quarters to have the life insurance agent more thoroughly informed on his work.

Miss Loomis Making Record

Miss Corinne V. Loomis, manager of the women's department in the Paul F. Clark agency of the John Hancock Mutual Life at Boston, occupies a very prominent position among the company's leading women agents. The women's department at Boston has eleven agents, including Miss Loomis, and so far this year five of them are listed with the ten leading women producers of the country. In 1925 Miss Loomis was first in point of production among company's women agents, and in 1926 she ranked second. Last year she took the lead again. Miss Loomis is active in educational and social club work.

Opens Life Department

BOSTON, Aug. 15.—The Boston agency of Gilmour, Rothery & Co., handling fire and casualty lines, announce the opening of a life insurance department under the management of Thomas T. Pond, formerly with the Paul F. Clark agency of the John Hancock Mutual Life in Boston.

IN THE MISSISSIPPI VALLEY

LAUNCH TWO NEW COMPANIES

Articles of American States and Missouri Valley Life Approved By Nebraska Commissioner

LINCOLN, NEB., Aug. 16.—Two new life companies have been organized with headquarters in Lincoln, and each has received the approval of Commissioner Dumont to its articles of incorporation. Being mutual, legal reserve companies they will not be licensed until 200 policies have been sold, with a year's premium paid and a medical examination, together with at least \$30,000 securities on deposit with the department.

Orville A. Andrews, who has been district manager and general agent for several large companies in Nebraska, is president and general manager of the American State Life, one of the two new corporations. The secretary, William Kiewit, is an insurance salesman of years' experience. Frank M. Johnson, attorney of Cozad, private secretary to Governor McMullen, is vice-president; Dr. O. W. Everett of Lincoln, medical examiner, and B. M. Raynor, banker of Filley, is treasurer. Other incorporators are: W. R. Erickson, banker, Filley; V. R. Johnson, farm manager, and J. G. Norcross, merchant, of Beatrice, and Emil Kuehn, insurance, Murdock.

The other company, the Missouri Valley Life, is headed by E. C. Bigger, former vice-president of the Bankers' Mutual Life of Denver, and a director of the company of the same name at Jacksonville, Fla. Mr. Bigger will be in charge of the company's activities, and will be aided by M. C. Kickelhahn,

secretary and treasurer, who has been with the Bankers Mutual of Denver, the Service Life of Lincoln and the American Reserve of Omaha. W. A. Fellers, vice-president, is a lumberman of Chester. Other incorporators are: W. H. Kuhlmann, banker, Chester; W. W. Wilson, banker, Chester; R. H. Atwood, lumber dealer, Chester; Dr. E. W. Fellers, Beatrice; Dr. A. B. Fellers, Palisade; Dr. C. H. Brugh, York; Alex Wekesser, master printer, Lincoln, and J. W. C. Holmes, lumberman, Fleming, Col.

Warning on Fraud Attempt

MILWAUKEE, Aug. 15.—A warning to insurance companies to beware of the same method of trying to defraud them is broadcast here, following the attempt last week of a man to issue 500 counterfeit pay vouchers on the Prudential. The man went to a printing company and ordered the vouchers and he happened to give the order to the printers who print the genuine vouchers. However, instead of giving the name of the Prudential Insurance Company of America, he gave it as the Prudential Life Insurance Company of America. The printer became suspicious and notified Sidney Herzberg, state manager here, and the police. The man was arrested on a vagrancy charge, which is the only charge that could be brought against him.

Fohr Agency Has Unique Outing

Members of the staff of the Louis J. Fohr Chicago general agency of the Connecticut Mutual Life, together with a number of guests, had an outing on Lake Michigan on Thursday of this week on a tug boat chartered from the city. The party left from the tug's

berth in the Chicago river shortly before noon and had luncheon in the dining room at one of the city's water supply cribs in the lake. Insurance matters were discussed over luncheon. Following luncheon some of the party descended to a new intake tunnel the city is building 30 feet below the bottom of the lake and made a tour of inspection. The remainder of the afternoon was spent on the tug cruising the north shore.

Action Against Guardian Unlikely

MADISON, WIS., Aug. 16.—No action is likely to be taken against the Guardian Life of this city in the near future in an effort to compel it to refrain from selling its savings certificate policies. A single initial premium is paid for these policies, and Banking Commissioner C. F. Schwenger has an opinion from the attorney-general's office that the policies are illegal. However, Milton A. Freedy, insurance commissioner, stated that the company is authorized by the insurance department to issue the policies and that the department has no intention of changing its order because of the opinion of the attorney-general. Mr. Schwenger is now on his vacation but before leaving Madison he said he intended to move carefully in the matter. If the Guardian Life's policies of this type are declared illegal, other companies writing such policies in the state would also be violating the law.

Metropolitan Writes Sales Group

Metropolitan Life has just written a group life and accident policy on store managers and salesmen of the Nunn, Bush & Weldon Shoe Co., of Milwaukee, which operates a chain of retail stores here. The life policy covers the employees for a total of \$290,000 and they are also covered for \$290,000 on accidental death.

Huebner on Convention Program

Dr. S. S. Huebner of the Wharton School of Finance and Commerce of the University of Pennsylvania is to be a guest speaker at the annual convention of the agents of the Peoples Life of Indiana. His subject will be "Human Life Value and Its Scientific Treatment to Life Insurance." The company's convention is scheduled for August 30-31.

Bell Wins Kirk Essay Contest

Hugh S. Bell, agency manager at Seattle for the Equitable Life of Iowa, was the winner of the 1928 "Kirk Memorial" essay contest. The subject of the company's annual contest for this year was "Life Insurance as a Sound

Investment." At the Montreal convention recently held by the company Mr. Bell was awarded the Kirk cup, which will remain in his possession throughout the year, emblematic of his leadership in the essay contest.

Larson Agents Meet

Fifty agents of the Central Life in the district supervised by A. C. Larson, Wisconsin state manager for the company, held their annual agency conference at Madison. A business session and a golf tournament featured the meeting.

Dr. T. C. Denny, president of the company, and George T. Carlin, educational director, represented the home office. Dr. Denny announced that there would be an increase of 22 percent in the company's dividends for the current year.

Investigate Ohio Agents

DAYTON, O., Aug. 16.—The department has been investigating the actions of two insurance solicitors for the Young Men's Mutual Life of Cincinnati who have, according to reports, written \$3,000,000 worth of insurance, whose validity is now questioned, and disappeared with approximately \$45,000. The names of the two agents are given as Mac Ewan and F. M. Howard, the former being described as "general agent." The company, when questioned by the insurance officials, said that it knew nothing about the operations of the two insurance solicitors, the arrangements for them to act having been made by an official of the company, who is now dead. It is understood that the company has made good any losses.

Springfield Life Men Marry

Earl Morbury Epler, manager of the Springfield, Ill., branch of the Equitable Life of Iowa, and Miss Helen Elmore Jackson, Decatur, Ill., were married recently. Mr. Epler was a pilot in the aviation corps during the world war and for the last several months has been head of the Springfield branch of the Equitable Life.

Walter F. Van Horn, special representative for the Massachusetts Mutual Life in Springfield, recently married Miss Florence Barbier.

Pleads Guilty to Forgery

Des Moines, Ia., Aug. 16.—W. H. Dunagan, former chief clerk of the Des Moines Life & Annuity, pleaded guilty here last week to forgeries amounting to \$23,000. He was immediately sentenced to 15 years in the penitentiary, with the sentence pronounced only six hours after charges of uttering a forged instrument were filed against him in municipal court.

IN THE SOUTH AND SOUTHWEST

NEWSPAPER IS NOT AGENT

Assistant Attorney-General of Texas Gives Opinion Holding Non-Admitted Companies May Advertise

Newspapers of Texas may carry advertisements of non-licensed insurance companies without incurring the penalties of any laws of the state, was held by Brann Fuller, assistant attorney-general in answering an inquiry submitted by R. B. Cousins, Jr., chairman of the state insurance commission.

Mr. Cousins asked if a newspaper may carry an advertisement which solicits business from a non-admitted insurance company and whether it makes any difference whether the newspaper is owned or edited by individuals or a corporation.

Mr. Fuller held that the newspaper carrying such advertising was not an agent or performing such act as contemplated by the articles of the statute as

to require the newspaper first to procure a certificate of authority from the insurance commissioner before inserting such advertisement.

Contract Analyzed

It is held by Mr. Fuller that the contract between the newspaper and the insurance company simply involves the selling and purchase of advertising space, the basis of the contract being a certain price for each inch of advertising space used by the insurance company. Any other subject than that of insurance used in the advertising space would not affect the terms of the contract between the insurance company and the newspaper. In such a transaction, he says, the newspaper is not interested in the subject of the advertising so long as it is not libelous.

To hold that a newspaper that carries an insurance ad is the agent of the company would mean that such newspaper would have to procure a certificate of authority from the insurance

commission as an insurance agent. To hold that a newspaper carrying an insurance advertisement is the agent of the company would also mean that the newspaper would be personally liable for any loss covered by the policy of an insurance company that might have been the result of the advertisement should such insurance company so advertising not have first complied with the insurance laws of the state. The statutes, Articles 5055 and 5056, do not contemplate a burden of this kind to be placed on the newspapers, Mr. Fuller advised.

REHEARING IS TO BE ASKED

Metropolitan Life Probably Will Not Be Forced to Pay on Living Man Since Declared Legally Dead

The Metropolitan Life will ask the Virginia supreme court of appeals for rehearing in the Botto case from law and equity court, part II, of Richmond, which was recently affirmed by that tribunal. This was the case in which William J. Botto, former Richmond policeman, was declared legally dead after being missing seven years and his wife, Mrs. Mamie Botto, was awarded judgment for \$1,000, the amount of a life policy which he carried in the Metropolitan. Botto was recently located in Baltimore. He was found in a hospital suffering from burns said to have been received in the explosion of a still. Botto disappeared from Richmond in 1919. The policy was issued in October, 1918.

At the trial for recovery of the insurance, the company produced witnesses who testified that they had seen Botto in Baltimore since he disappeared but the jury failed to give credence to the testimony. The court of appeals affirmed the lower court in June of this year but the company had yet to settle the claim when Botto was located. It developed that a warrant charging desertion and non-support of his family had been standing against him since May, 1921.

That the court of appeals will grant a rehearing in the case is regarded as a foregone conclusion. Upon being furnished proof that Botto is still in the flesh, it will undoubtedly rescind its previous decision and reverse the lower court, entering final judgment in favor of the company.

ATTORNEY-GENERAL EXPLAINS

Texas Legal Department Head Makes Statement on Pronouncement Affecting Discrimination Feature of Law

So much attention was created by the recent anti-discrimination opinion by Assistant Attorney General Brann Fuller of Texas that it caused Attorney General Claude Pollard to issue an explanatory statement. The Texas attorney general made the following statement for publication:

"Under date of July 27, 1928, an official opinion was rendered by the attorney-general's department at the instance of R. B. Cousins, Jr., chairman state insurance commission, construing Article 5053 of the revised statutes of Texas, wherein the subject of discrimination between insureds of the same class and of equal expectation of life; the giving of any rebate of premiums on insurance policies; or the giving, selling, or purchasing of any stocks, bonds, or other securities as an inducement to insureds are regulated by law. There seems to have arisen in the minds of the public a confused idea as to the legal effect of this opinion as reported in the press, as various inquiries have been received as to its meaning, and particularly with reference to its effect on the activities of the Gulf State Mutual Life, Dallas, as this company is engaged in the issuance of stock purchase agreements in

connection with the sale of its insurance policies.

DISCRIMINATION PROHIBITED

"The holding of the opinion is to the effect that any distinction or discrimination in favor of individuals between the insured and the same class and of equal expectation of life in the amount of, or payment of premiums or rates charged for life or endowment insurance, or any dividends or other benefits payable thereon made by any insurance company doing business in this state is unlawful and absolutely prohibited. It is also absolutely unlawful for any insurance company doing business in this state to issue any insurance policy containing any special or board contract, or similar provision by the terms of which said policy will share or participate in any special fund derived from a tax or a charge against any portion of the premium on any other policy.

"It is also unlawful for any insurance company doing business in this state to enter into any contract of insurance or agreement as to such contract, unless the same is expressed in the insurance policy."

"It is not unlawful for an insurance company doing business in this state to issue stock purchase agreements in connection with its policies of insurance as long as the terms of said agreement are expressly specified in the insurance policy. The purposes of this article of the revised statutes are to absolutely prohibit discrimination of insurance companies between their insureds, and to absolutely prohibit secret dealings in connection with the issuance of insurance policies. The Gulf States Life, Dallas, is not violating the insurance laws of this state in the issuance of stock purchase agreements in connection with the sale of its policies so long as the same are embodied in and made a part of the insurance policy."

OPENED THE TREASURE CHEST

Southern States Life Agents Did Some Splendid Work During the Last Part of June

One of the outstanding features of the Southern States Life's Anniversary Club gathering at Lookout Mountain Hotel, Chattanooga, Tenn., was the "Treasure Chest," competitive campaign for business which was planned by E. S. Albritton, vice-president and manager of agencies.

During the 15 remaining days of July all applications were to be placed in the chest, three prizes being offered, every member of the club having been given a quota. The individual agent submitting the largest volume of business received a sterling silver water pitcher. The general agency submitting the largest volume of business received a sterling silver water pitcher. The general agency submitting the largest amount of business over the quota given for the chest received a handsome silver reward, a plaque, an artistic and beautiful silver shield mounted upon rosewood, bearing the name of the party and the inscription as to the achievement.

Each day during the 15 days, an illustrated piece of literature went from the home office to the members of the organization, bearing upon the contest.

During the entire sessions of the convention extending over four days, all interest was centered upon the amount of business in the chest. On the last day the chest was opened and there was \$2,152,000 in applications, making a total of business received in July of \$2,872,424.

John R. Carns and his wife, Mrs. Ruby L. Carns, of the Alabama general agency of Carns & Carns at Birmingham won all the prizes that were offered in connection with the "treasure chest." The partners won the first prize for the general agency securing the greatest amount of business, the second prize for the individual agent for the greatest amount and the third prize



Let your desk express your personal good taste

YOUR desk is more than just a work table, with a few convenient storage drawers. It contributes an important bit to the atmosphere which surrounds you, from which visitors gain their first impression of your business or professional standing.

Good judgment, refinement, stability and progress are radiated from GF Executive Desks of steel.

You can select no finer piece of furniture for your own office. No other so well keeps and guards its own beauty of finish and design.

A GF Steel Executive Desk becomes the keynote in the furnishing of the entire office. It introduces richness and culture, and lends an air of unquestioned success. Each detail is perfect and permanent, today, and after a generation of faithful service.

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Youngstown, Ohio

Canadian Plant, Toronto

BRANCHES AND DEALERS IN ALL PRINCIPAL CITIES

GF The GF Allsteel Line: Safes . Filing Cabinets . Sectional Cases . Desks . Tables . Shelving . Transfer Cases . Storage Cabinets . Document Files . Supplies

GF Allsteel
OFFICE EQUIPMENT

Attach this coupon to your firm letterhead

THE GENERAL FIREPROOFING COMPANY • Youngstown, Ohio N. U.

Kindly send me a copy of the GF Allsteel Desk Catalog.

Name _____ Firm _____

Address _____

City _____ State _____

That Company in an

EXPANDING MOOD

Presents wonderful opportunities to men of character and good records. Splendid openings in California, Utah, Oregon, Idaho, Wyoming, Arizona, Texas and Oklahoma.

Direct Home Office Contracts with full liberal commissions.

Insurance in force - \$100,000,000

Admitted Assets - 14,250,000

For full information write
J. ROY KRUSE, President

CALIFORNIA STATE LIFE Insurance Company

SACRAMENTO

CALIFORNIA

Why Experiment—Use the Standardized

DALLWIG POLICY AND COMMISSION RECORD



With three years of such highly satisfactory service that leading Life Underwriters everywhere are using it and many Life Insurance Schools have adopted it as standard—the Dallwig Record has been simplified and standardized to meet the requirements of agents for any company. The standard outfit is an attractive addition to your office; the law word in efficient records and quick service; and at a price within the reach of every life insurance salesman.

For information ask The National Underwriter Co. Salesmen in your territory or write direct to
P. G. DALLWIG

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The Dallwig Record is more than a "Policy Register"—it is a complete record of your Life Insurance business with no duplication of effort. Each sheet is automatically a recapitulation of all preceding written business.

The binder is specially designed to meet the requirements of a permanent Record. It is a Center Lock Sectional Post Binder and bound in full imitation brown leather with gold stamping, including your own name in gold on the front cover as illustrated.

for the general agency producing the largest percentage of its allotment. These two people make a remarkable team in life insurance work.

Unlicensed Concerns Arouse Interest
Recent published warnings advising

residents of Arkansas to investigate thoroughly various life insurance companies which are seeking to sell "mail order" insurance in the state, has aroused much interest, and letters of inquiry as to the standing of several foreign companies have been received by the insurance department.

PACIFIC COAST AND MOUNTAIN FIELD

MAY LIQUIDATE ASSOCIATION

California Attorney-General Renders Opinion in Commissioner Against Central California Mutual Life

An opinion rendered by the attorney-general of California to Commissioner Detrick will probably result in the liquidation of the Central California Mutual Life & Benefit, an assessment concern which has been under investigation for several months past. The commissioner did not like the annual statement of the company and requested an opinion as to his right under the law to take charge of the association and liquidate it. In the opinion, after going into considerable detail regarding the law and the conditions as revealed in the association's statement and by-laws, the attorney-general says that Commissioner Detrick has the authority to do so, and further says that "I am of the opinion that it is not only within your jurisdiction but your duty as well, in the supervision of the conduct of these insurance associations, to require that they be conducted for the benefit of the membership and not for promoters and organizers."

Operated for Gain

The attorney also pointed out that under the by-laws the directors have the right to perpetuate their management and position, and that while the association was represented as being of a non-profit character a contract made with one T. M. Smith indicated that it was being conducted for his personal profit and gain. He also suggests that the contract pauperizes the corporation at the close of business each year in that all of its funds are transferred to Mr. Smith. Regarding this contract the attorney-general says:

No Action Until Return

"In my opinion the contract in question is in violation of both the spirit and the letter of the law under which such associations are created and exist. This association is not, as now operated, in fact a non-profit mutual benefit association, but is a proprietary enterprise conducted for the benefit of said Smith and his associates."

Commissioner Detrick was in the east when the opinion was released and others in the department said that nothing further would be done until his return. It is anticipated that the opinion will result in action being taken against several other similar associations which are operating in the state but whose licenses have been withheld since July 1 until the commissioner's full authority could be determined under a weak law on such organizations.

May Act as Agent

SAN FRANCISCO, Aug. 15.—Bank of Italy interests have organized another institution which, according to papers filed with the state corporation department, is to act as agent for various insurance companies. L. M. Giannini, son of A. P. Vianini and president of the Pacific National Fire, is named as president of the new corporation which is to be known as the America & Security Insurance Corporation. It is understood that the majority of the stock is to be held by the National Bank of Italy Company.

FULL TIME AGENTS GAINING

Luther Addresses Aetna Life's Pacific Coast Gathering—Thomas Speaks on Group Insurance

Vice-President K. A. Luther, speaking before the first annual regional convention of the western agencies of the Aetna Life, last week spoke of the tendency of eliminating the part-timer from the business. In support of his contention he said that figures of the Aetna Life continue to show that the full time or regular agents are consistently increasing the volume of business and that during the past few years the percentage of business written by the regular full time agents had constantly grown.

Tendency Toward Small Cases

The tendency in group life insurance appears to be toward smaller cases, said Boyce Thomas, assistant secretary of the group department of the company, who had just concluded a regional conference of Pacific Coast group representatives of the company. Mr. Thomas is in favor of the regular full time agent of the company producing group business with the assistance of the field men of that department. He is of the opinion that practically all of the possible big group cases in the country have been written. At the same time he favors the smaller cases. The value of group to the life agent by the development of contacts with executives was stressed by the speaker.

A. E. Sawyers of Los Angeles discussed accident and health insurance and the possibilities of developing life business through such policyholders.

Prescott W. Eames of Denver, creator of the Aetnagraph, a system of presenting the various contracts, explained the manner of using the idea.

Hammond on Program

E. H. Lestock Gregory, general agent for the company at San Francisco, was toastmaster at the banquet Thursday night. Good natured banter between the toastmaster and a number of those present enlivened the proceedings and made the affair jolly and entertaining. Among those who spoke briefly were Mr. Luther, W. M. Hammond, general agent at Los Angeles, J. H. Baird of Seattle, Dr. P. M. Cort, J. R. Molony, western manager for the company for casualty lines and the Automobile of Hartford, Paul De Los, leading Pacific Coast producer, and Guy C. Macdonald, who responded for the insurance press.

Frank Whatly of the Los Angeles office won the golf tournament with J. H. Baird of Seattle second and Howard H. Harding of San Francisco winning third prize.

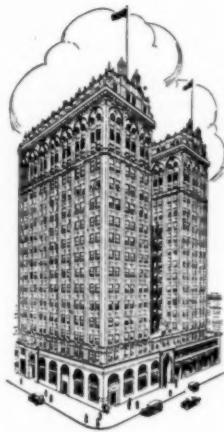
Following the adjournment Mr. Luther left for Los Angeles, where he plans to spend several days, later returning to San Francisco en route to Hartford.

John Hancock Mutual Enters Utah

The John Hancock Mutual Life has made another extension of its business, receiving its license to operate in Utah. Headquarters have been established at Salt Lake City.

New offices have been opened in the Walker building at 175 South Main street. George R. Duncan of Salt Lake City has been selected as general agent.

OUR AGENTS' WORKING TOOLS



Participating
Non-Participating
Sub-Standard
Preferred Risk
Pay Roll Deduction
Monthly Premium
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Life Income
Modified Life
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Disability Income
Premium Waiver
5% on Policy Proceeds
Age Limits: 1 day to
65 Years

Openings for agents in the following territory: Ala., Ark., Ariz., Cal., Colo., D. C., Fla., Ga., Ky., La., Md., Minn., Miss., Mo., N. C., N. J., N. M., Ohio, Okla., P. R., S. C., Tenn., Tex., Va., W. Va., Wyo.

For additional information, write direct to:
W. T. O'Donohue, Vice-Pres. and Agency Mgr., Greensboro, N. C.

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President

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OVER 325 MILLIONS IN FORCE

Here's A Paper

that is indispensable to every life man who sells accident and health insurance. **The A & H Review** is published by The National Underwriter Company. It is the only accident and health paper in the United States. In every issue you will find live selling articles. Just the thing to give an agent new ideas on selling accident insurance.

Every life man who sells accident and health insurance should equip himself—at once—with **The A & H Review**. It is a selling paper exclusively. It will give you many new arguments and many different ways of selling prospects. And remember, a tip on accident and health insurance will frequently close a life prospect also. Return the coupon below—at once.

Fill in the coupon at the right. Each month will bring **The A & H Review** to you full of fresh, new ideas and ways of increasing your sales in accident and health insurance.

The A & H Review,
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Enclosed find \$2.00 for one year's subscription to
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"Defy the Fates Through Central States"

Our Part Of It

The victory of success, reduced to simple terms, is just a matter of having the contracts and service to sell, and selling them.

Supplying the contracts and service—that's our part of it; and we try to do it well. It will pay you to investigate.

We Offer

Policies all ages, 1 day to 70 years.
Both Participating and Non-Participating
Non-Medical, \$3,000 and under
Sub-standard
Disability, Dismemberment and Surgical
Benefits
Special Monthly Premium Sight Draft
Plan
Personal Delivery of Death Claims
Double Indemnity
Children's Policies with Beneficiary Insurance
Sales Planning and Circularizing Department
Agency Service Department
Producers' Club

CENTRAL STATES LIFE INSURANCE COMPANY

HOME OFFICE: SAINT LOUIS

JOHN HANCOCK SERIES

GROUP SERVICE

If we were on the "firing line" we certainly would invest a two cent stamp to find out all that we could about anything that might add to our yearly income.

The service extended to the field by the John Hancock Group Department along these lines is well worth your attention.

There are, at this minute, promising leads for Group Insurance in your own office.

May we point the way towards turning them into money, and help you to do it? We have done it for others. We can do it for you. Address Inquiry Bureau

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS
197 Clarendon Street, Boston, Mass.

Over 65 YEARS IN BUSINESS

Assets \$451,006,878; Reserves and all Liabilities \$415,000,775; Surplus Assets \$36,006,103

SIXTY-FIFTH YEAR OF BUSINESS

A PROPHET SEES THE FUTURE PROFIT

The donkey who spent his days on a treadmill had this to console him on his endless grind—he was sure to eat regularly.

Even if he could be sure to eat his fill every day, which he isn't, the sub-agent finds little consolation in his treadmill existence. His human mind requires future provision assured beyond doubt.

The General Agent Creates Future Wealth for Himself

Are you ready to graduate into the general agent class? If so, we offer you the chance to build your own business—a handsome current income and ever-increasing security for your own future.

Name Your Choice of Territory in the States of Texas, Oklahoma, Arkansas, Louisiana, and Write Us in Strict Confidence.

LOUISIANA STATE LIFE Insurance Company

HOME OFFICE
SHREVEPORT, LA.

IRA F. ARCHER
Superintendent of Agencies

—1927—

NOTABLE GAIN IN ASSETS

The Bankers Life Company increased its Total Admitted Assets to more than \$100,000,000 in 1927.

The Company's exact total of Admitted Assets on December 31, 1927, was \$103,615,053.81, which was a gain of \$12,901,440.60 as compared to the total of Admitted Assets on December 31, 1926.

BANKERS LIFE COMPANY

The Onward March Company

GERARD S. NOLLEN, President

Established 1879

Des Moines, Iowa

Mr. Duncan is well known throughout this territory. Up to about a year ago he was connected with a leading life company.

Will Meet at Victoria

The \$200,000 Club of the western and Pacific departments of the New York Life will meet Sept. 3-5 at Victoria, B. C.

Hold All Day Conference

Members of the northern California agency of the Mutual Life under the management of W. L. Hathaway, will meet for an all day conference on Aug. 20. It is expected that more than 100 will be in attendance.

Hold Meetings at Del Monte

Several insurance events are to be held in Del Monte, Cal., between now and the first of the year. The first will be the annual convention of the California State Life's field organization Aug. 20-24. The New York Life's Pacific coast leaders will gather there Sept. 10-14 and the Equitable's regional

meeting will be held Sept. 27-29. The Prudential will hold a regional meeting in Del Monte Dec. 11-13.

Anderson Gets New Mexico

Clinton P. Anderson has been appointed general agent of the Occidental Life of Raleigh, N. C., in New Mexico. He has a wide acquaintance throughout the state. He has served as president of the Albuquerque Rotary Club and is governor of the New Mexico-West Texas district.

Dedicate 24-Story Tower

The Northern Life Tower was dedicated at Seattle, Wash., last week. The building is 24 stories high. Officials and leaders of the city joined in the dedication exercises.

Will Oppose Fishback

G. C. Newell, well known Seattle general agent and president of Men's Business Club, has decided to run against H. O. Fishback for insurance commissioner of Washington.

IN THE ACCIDENT AND HEALTH FIELD

RELEASE NOT CONSTITUTED

Assured Received Payments from Time to Time from Company Under an Accident Policy

Payment to Insured of Amounts Due from Time to Time Under Accident Policy Held Not to Constitute Release for Unliquidated Claim Under Policy.—In United States Casualty vs. Vinson, Appellate Court of Indiana, 149 N. E. 90, an action was instituted by the executrix of insured's estate upon an accident policy to recover \$1,617.66, alleged to be due. The company denied liability on the ground that it had already paid from time to time the sum of \$1,682.34, to the insured during his lifetime, and that upon the receipt of payment the insured had signed a release discharging the company from liability up to the time of each payment.

Judgment Was Affirmed

Upon the trial of the cause the trial court found that while the receipts signed by the insured, upon the receipt of each payment, contained the word "release," the insured at no time understood it as releasing the company from any unliquidated liability under the policy. In fact the court found that the agent of the company falsely stated to the insured that the receipts signed were only receipts for the amounts paid. The trial resulted in a judgment in favor of the insured's executrix, and on appeal the higher court in reviewing the record and in affirming the judgment, said:

What the Court Held

"Presenting that the evidence does not sustain the special findings of the court, appellant contends that the evidence does not sustain the finding that there was a balance due of \$1,617.66, for the reason that, at each time payment was made to appellee's decedent under the terms of the policy, he signed a written release completely discharging appellant from all liability up to the time of payment, that at each time he received the full amount of the money specified in the release, and that none of the money so received was ever returned to appellant."

Company Not Released

"But it must be observed that the court expressly finds that appellee's decedent at no time consented to sign anything which would release appellant from further payment, and that on each occasion he stated to the agent making payment that it was to be understood that the papers signed by him were to be in no way a release, and that he expected to hold the company for whatever amount the policy provided for;

that the agent fraudulently induced him to sign the paper by representing that it was not to be considered in any way a release, but a receipt only for the amount paid. There is ample evidence to sustain this finding. *** Here there was no intended settlement by the insured; there was no compromise; there was no surrender of the policy.

"There was only a payment of an amount admittedly owing under the policy, and such a payment will not, within itself, constitute a sufficient consideration for the release of an unliquidated amount claimed under the policy. *** Certainly not where, as in this case, the evidence shows that there was no intention to release."

New Manager Holds School

A school of instruction was held in Cedar Rapids, Ia., last week by O. G. Andresen, newly appointed state manager of the Monarch Accident and Monarch Life of Springfield, Mass., which has just recently moved the state office from Des Moines to Cedar Rapids to be in charge of Mr. Andresen, R. J. Burke, district manager and Fred MacIntosh, home office official, were honor guests.

Buys Mountain States Business

SAN FRANCISCO, CALIF., Aug. 14.—The Occidental Life has purchased the accident and health business of the Mountain States Life. Michael F. O'Sullivan who has managed the business for the Mountain States will join the Occidental in the same capacity.

Separate Company's Funds

Fackler & Bribeiy of New York have been employed by the Ohio department to separate the life and accident funds of the Cleveland Accident, formerly the Commercial Travelers Life & Accident. It is planned to reinsure the accident business and liquidate the life policies. There are 9,000 accident policyholders and 1,600 life insurance policyholders. The affairs of the concern recently were taken over by the insurance department under Superintendent Safford.

Retires from A. & H. Field

The Mountain States Life of Hollywood has decided to retire from the accident and health field according to a statement made by W. L. Vernon, president, this action being taken to permit of concentrating on the production of life business, and its accident and health business is now in process of reinsurance, some of which volume that has been developed along special lines being reinsured separate from the general disability lines. Disposition of the latter will be announced shortly by M. F. O'Sullivan, manager of the accident and health insurance department, who is attending to the reinsurance of this line.

The company began writing accident and health a year and a half ago and has developed a good volume, during which time a favorable loss ratio has been experienced.

National L. & A. Promotions

The National Life & Accident announces the promotion of C. T. Galloway and F. W. Martin of Beaumont, Tex.; A. A. Ware of San Antonio No. 2, W. E. Cronkrite of Dallas No. 2, H. H. Reed of Cleveland No. 1, E. F. Rehkopp and J. C. Pfleiffer of Kansas City, Mo.; R. B. Ingram of Greenville and D. P. Adams of Houston No. 3 to superintendencies in their respective districts.

Rowland Resumes Old Post

R. M. Rowland, who has been connected with the Chicago branch office of the National Casualty since its establishment early last year, is returning to the home office in Detroit to resume his old post as agency supervisor. He suc-

ceeds J. E. Lowe, who has resigned and returned to Kentucky, his native state, to make his home. Mr. Rowland is well known among accident and health men, having been especially active in the Health & Accident Underwriters Conference and serving as its secretary one year.

Named Claims Auditor

E. C. Hodder has been named by the Midwest Life of Lincoln as claims auditor in its health and accident department. Mr. Hodder, a recent graduate of the Nebraska College of Law, was for a time assistant in the office of the company's general attorney, J. W. Kinsinger.

Made Assistant Managers

W. C. Lohr and Guy W. Chambers have been promoted to assistant managers for the American Life & Accident at Columbus. This office is in charge of L. S. Fitzgerald.

NEWS OF LOCAL ASSOCIATIONS

GANSE ADDRESSES MEETING

Speaks at Mid-Year Convention of Boston Association of Life Underwriters

Franklin W. Ganse of Boston, spoke on the American College of Life Underwriters, described its aims and outlined its progress thus far, for delegates to the mid-year meeting of the Boston Association of Life Underwriters.

He drew a parallel between the professions of insurance and public accounting and pointed out that but a few years back, before the establishment of the C. P. A. degree, public accountancy bore a similar relation to the professions to that of life insurance a few years ago.

The College of Life Underwriters is endeavoring by granting a degree in life insurance to underwriters who can pass the requirements set up by its directors to lift life insurance into the same professional ranks as certified public accountancy now holds.

Mr. Ganse said that the original purpose in establishing the college was to found an educational center for training men in life insurance. It was found unnecessary to carry out this original idea, however, when the leading American colleges began to include in their curricula regular courses in life insurance.

Colleges Aid Companies

Today in practically every leading educational center it is possible to take such a course. The last to establish such a department was Boston University. The Wharton School of Finance and Commerce of the University of Pennsylvania is perhaps the finest school of all, under the direction of Dr. S. S. Huebner, recognized as the world's foremost authority on life insurance.

Already there are 21 holders of the certificate of the College of Life Underwriters, who took the first examination. The next examinations have been scheduled for December 27-28-29 and a large class is expected.

Clark Made Delegate

The meeting pledged itself as unanimously in favor of sending Paul F. Clark to Detroit as a candidate for the presidency of the National association. This post has been consistently refused by Mr. Clark for the past few years. At this meeting he expressed himself as still unwilling to accept the responsibility involved in accepting the presidency.

George Tracy, chairman of the educational committee outlined the educational efforts of the Boston association. He reported that 78 certificates had been granted to those who attended the

course given by the faculty of New York University last summer.

* * *

Baltimore—The members of the Baltimore association will hold their annual meeting and election of officers September 12. Frederick L. Mason, president, will preside.

"ACACIA CLUB" IS POPULAR

Company's Service Rooms for Policyholders Visiting Home Office City Are in Use Daily

William Montgomery, president Acacia Mutual Life, announces enthusiastic endorsement of the "Acacia Club," a new policyholders' service which his organization has inaugurated. Club headquarters are maintained in the Acacia's new home office building at Washington, D. C.

Spacious lounge, writing, card and shower rooms give the club all that could be desired in a physical way. The questions might arise: "Who uses the club? What is giving it life? Is it justifying its existence?" In conceiving and establishing the "Acacia Club," Mr. Montgomery's vision and business forethought is again manifest. From the very day of its dedication, the club's facilities have been enjoyed by numerous Acacians who visit Washington. In not an instance has the service rendered failed to elicit generous praise.

Membership in the club is restricted to those who hold Acacia policies. There are no dues or fees. The club's services and privileges are also freely extended upon request, to the families or friends of membership on their visits to Washington.

Medical Section Meeting

Two important subjects will be discussed at the medical section of the National Fraternal Congress which will hold its meeting in Toronto Aug. 20. Dr. A. D. Cloyd is president. They are non-medical risks and substandard business. There is much discussion among fraternalists as to the extension of a fraternal system to substandard risks. Dr. Charles P. Clark, assistant medical director of the Mutual Benefit Life and Dr. George E. Kanouse, associate medical director of the Prudential, are two old line men that will make addresses at this meeting.

Fraternal Congress Meeting

The National Fraternal Congress, which will hold its meeting in Toronto Aug. 20-23, has completed the detail of its program. Sidney H. Pipe is president. The various sections of the congress, presidents, secretaries, medical, law and press will meet the first day. Among those who will speak are G. D. Flinlyson, Canadian superintendent of insurance; Nelson O. Tiffany, president of the Buffalo Life; R. Leighton Foster, superintendent of insurance in Ontario.



General Agent Wanted In Ohio

Ohio has: Over six million people. Six hundred fifty thousand families with telephones. One million two hundred and fifty thousand automobiles.

The total county wealth factors of Ohio represented by manufactured, mine and fishery products, crops and live stock, are over two billion eight hundred million.

The territory open in the state for a general agency is in a prosperous farming, manufacturing, merchandising and industrial section.

Territory affected less by adverse business conditions than perhaps any other section in the United States. Prospects in winter, summer, spring and fall.

An unusual opportunity for an experienced salesman who seeks promotion. For information write:

The Ohio National Life Insurance Company

Cincinnati, Ohio

E. E. Kirkpatrick
Sup't of Agents

LINK UP WITH THE LINCOLN

Question: What great advantage does the juvenile policy open to L. N. L. Agents?

Answer: The juvenile policy opens many doors to The Lincoln National Life man and makes it possible for him to write not only the children but the whole family.

The LINCOLN NATIONAL LIFE INSURANCE COMPANY

"Its Name Indicates Its Character"

FORT WAYNE, INDIANA



More Than \$540,000,000 in Force

Con mū topics

(Topics of The Connecticut Mutual)

Vol. III

August, 1928

No. 8

The U. S. Supreme Court

SAYS THAT Good Will brings back customers time and again. We have served four generations in one family during the past eighty years in business.

THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY

HARTFORD

Over 81 years in Business

1846

1928

Aug. 18, 1918 - - Aug. 18, 1928

TENTH ANNIVERSARY



The Reinsurance Life

WE WANT GOOD AGENTS AND WILL PAY THEM WELL

Excellent territory available in
Nebraska, Colorado, South Dakota,
Kansas, Missouri, Iowa and Texas.

For details of our liberal agency offer, write to
THOS. F. BOURKE, Vice-Pres. and Supt. of Agencies

NORTHWESTERN LIFE INSURANCE COMPANY

G. STORZ, President

OMAHA

NEBRASKA



Go Into Business with
Us on the
**PARTNERSHIP
BASIS**

**Life Health Accident
STANDARD
SUB-STANDARD
SUPER-STANDARD**

OHIO - INDIANA - MICHIGAN - KENTUCKY - PENNSYLVANIA
WEST VIRGINIA - TEXAS - OKLAHOMA - CALIFORNIA - ILLINOIS - IOWA

Tell it all in first letter

**THE OHIO STATE LIFE INSURANCE
COMPANY—Columbus, Ohio**

I CAN BUILD
A REAL LIFE AGENCY IN CHICAGO

CRASH!! THE GATE
SUCCESSFULLY INTO CHICAGO AND ITS 3,000,000

*Life Insurance Agency Building Is Like the Practice of Law. You Have to
Know Chicago as Well as the Law to Get Results.*

Real Agency Builder Wants Proposition From Successful Company Desiring
Chicago Manager. Gets Results—Has Done It, Is Doing It, Proven
Record. Address G35, Care of the National Underwriter.

CRIMINAL ACTION IS ASSURED EXAMINERS

(CONTINUED FROM PAGE 5)

assume all contractual obligations of the International and later pay to the stockholders of the International Life the excess earnings on the business taken over, about \$320,000,000. The Missouri State Life offer was on the basis of about \$6,000,000, allowing about \$4,000,000 for the going-concern value of the company. On Aug. 11 Mr. Taylor repeated his original offer with some slight variations, which it is understood will further protect the International stockholders. On July 31 the Missouri State Life at the request of the commissioners entered into arrangements to reinsure all new business written by the International Life.

Taylor Offers Aid

When Mr. Taylor was originally called he informed the commissioners his company stood ready to do anything it could do to aid in the situation that had developed, and would assume any reinsurance contract the commissioners deemed equitable. Accordingly, Examiner Hadley of New York drew up a contract providing for the merger of the companies. The directors of the Missouri State Life accepted this on behalf of their company and it was approved by Messrs. Grantges and Revelle for the International Life. However, stockholders of the International Life had to give their approval, so the meeting of Aug. 13 was called. Mr. Wilson went into the Federal courts to prevent that meeting and stop the reinsurance deal sought by the commissioners.

The commissioners were not endeavoring to force reinsurance in the Missouri State Life, nor did they close the doors to any other plan that would completely rehabilitate the International Life. Officials of the Central States Life were also called into conference with the commissioners. That company and the officials directing it are looked upon with favor by the commissioners and the examiners, but because of its size they regarded the Missouri State Life as best fitted to take over the International Life if that step became necessary. The Missouri State Life has approximately \$800,000,000 of business on its books and the Central States Life \$100,000,000.

It is known that Mr. Wilson's action in bringing about a federal receivership probably blocked other plans for a complete reorganization of the company along lines that would have met with complete approval by the commissioners.

Kansas City Life May Bid

Frank W. McAllister of Kansas City, counsel for the Kansas City Life, on the night of Aug. 11 conferred with the commissioners. Later he stated his company would submit a formal bid for the company's assets and good will.

It is believed that the commissioners will move for an early vacation of the federal receivership. Federal Receiver Wilson contends that as the federal suit was first instituted it has priority even though papers in the state suit were filed on the company officials first. Counsel for Superintendent Hyde respond to this by saying that under the Missouri statutes governing insurance companies, the department of insurance is authorized and directed to take immediate charge when it is found a company's reserves have been impaired. This step was taken Aug. 1, they point out, and this action being prior to any federal suit, takes precedence.

The first legal step to be taken by Receiver Daly will be to extend the temporary reinsurance arrangement made with the Missouri State Life. This will permit agents for the International Life to continue to function.

International Agents Loyal

The loyalty and efficiency of the International Life's agency organization

in the crises brought about by the failure to produce the \$3,500,000 in securities has been little short of marvelous, and within three days after the first news of the company's financial straits had been flashed throughout the country the agents turned in one of the best day's business in the history of the company. This is regarded as a tribute to Vice-President and General Manager W. F. Grantges, who has stuck by the guns in St. Louis and is endeavoring to save the company.

President Toombs has openly accused Mr. Grantges and General Counsel Revelle with having conspired with others to "freeze him out of control of the International Life." The men in the field do not regard this charge seriously, judging from hundreds of telegrams and personal letters pledging loyalty to the company and Mr. Grantges personally.

Statement Given to Press

On Aug. 11 the commissioners in St. Louis issued the following formal statement of the International's affairs to the press:

"In view of the situation confronting the International Life, with which the public has become somewhat familiar, we, the members of the group of insurance commissioners which has participated in the convention examination of the company, are satisfied, from proposals before us, that the interests of every policyholder can be amply protected and the stockholders can realize the full worth of their holdings. We have detailed reinsurance propositions from representatives of two strong companies, either of which, when consummated, will accomplish the full protection of policyholders, the fulfillment of their contracts in every detail, and will obtain for the stockholders the fullest possible return."

"The convention examination of the company began July 4, 1928. Soon thereafter the examiners discovered a shortage of approximately \$3,500,000 and we immediately met in conference in St. Louis for the purpose of considering what measures should be taken to protect all parties in interest."

Act for Protection

"Immediate reinsurance of all the company's business or complete rehabilitation and reorganization seemed imperative. It became apparent to us that the value of the insurance in force and the value of the goodwill and agency organization of the company was more than sufficient to cover the shortage discovered by the examiners in the assets of the company. Temporary reinsurance of new business written by the company was immediately effected with the Missouri State Life. The directors of the International Life were instructed to call a meeting of the stockholders on Aug. 13 for the purpose of considering such reinsurance contracts or plans for reorganization or rehabilitation as might be submitted to the commissioners and approved by them."

"The interests of the policyholders could have been quickly and adequately protected and the assets of the company conserved through plans which we had in mind and to which we had already given consideration, without recourse to receivership, which ordinarily involves not only tedious delay and heavy expense, but serious disturbance to the outstanding business of the company."

Regret Receivership

"We, therefore, regretted upon resembling here on Aug. 10 to find the program which we had in view for the protection of policyholders and stockholders disturbed by a receivership suit filed in court at the instigation, we understand, of Massey Wilson, whose proposal for reorganization or rehabilitation of the company had been submitted to us, considered and disapproved."

"Regardless of legal entanglements which have developed as a result of the institution of receivership proceedings in both federal and state courts, we can

NORTHWESTERN NATIONAL NEWS

This column contains condensed news items from the weekly newspaper published for Northwestern National Life agents.

Hoppin Takes Largest N-NL Family Race

While Blaisdell Wins in Hundred Per Cent Contest

C. E. Hoppin of the W. F. Preston Agency won the prize for the Largest Northwestern National Family, the Michels family of fourteen members—all of whom are insured in Northwestern National—being the best entry by several members. E. W. Blaisdell of the A. W. Crary Agency takes the prize in the Hundred Per Cent Family Contest, having written policies on four complete families. The winner in each contest will receive a traveling bag, to be awarded on the Great Lakes trip.

New Corporation Form Announced

A special form designed to be used with applications for corporation insurance which when used vests absolute control of the policy in the corporation, has been prepared, and general agents have been notified of its availability.

This form will greatly simplify the writing of corporation insurance, will accomplish everything that can be accomplished by a special form of corporation policy, and has the added advantage of being applicable to any form of policy issued.

Schmalhorst Wins Doorway Membership

Randolph (Pony) Schmalhorst, of the Cincinnati Agency has been awarded membership in the Doorway Club. Mr. Schmalhorst was responsible for the appointment of R. E. Klein, who has fulfilled the requirements for membership by paying for \$100,000 within one year after his appointment.

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY
STRONG LIBERAL
Minneapolis, Minn.

see no reason for any appreciable delay in effecting the consummation of a contract either of reinsurance or rehabilitation which will afford full protection to policyholders and conserve to the utmost the interests of the stockholders.

Policyholders' Interest First

"Our primary interest is to protect the policyholders, and that should also be the first regard of the stockholders and receivers. Any conflict of interest subversive of the welfare of the policyholders should be subordinated and disregarded, as we firmly believe it will, on sober and mature consideration by all concerned in working out the destinies of the company."

"We have given full consideration to the criminal liability which may attach on account of the shortage found in the assets of the company, and have been assured by Circuit Attorney Sidener that immediate and vigorous action will be taken."

"In all fairness we desire to state that throughout our deliberations certain of the officers of the company whose primary duties did not involve active participation in management of the financial affairs of the company have given us every assistance and cooperation, and do not appear to be responsible for the present situation. Throughout our deliberations our actions have without exception met with the approval of every member of the group of commissioners participating."

Wilson Denies Insolvency

Massey Wilson contends that the International Life is not insolvent and his federal receivership petition so asserted. This contention is based upon a valuation of from \$5,000,000 to \$6,000,000 given the going-value or goodwill of the International Life's insurance in force and agency organization.

Mr. Wilson holds 2,000 shares of preferred stock of the International Company, a holding concern that controls the International Life through ownership of 32,000 shares of its stock. All of the 2,000 common or voting stock of the International Company is owned by Roy C. Toombs and associates. Mr. Long owns 2,250 preferred shares of the holding company. Their petition stated the preferred stock was worth \$6 a share when Toombs took charge. Recent quotations on this stock were at \$2 a share.

Last Sale Price \$3,100,000

Mr. Wilson and J. Babler sold the International Life to J. R. Paisley, W. K. Whitfield, et al., three years ago for \$750,000, and in June Mr. Whitfield and his associates disposed of the company to Roy C. Toombs for \$3,100,000. In the meantime Paisley had passed out of the company following conflict with Whitfield for control.

In the Circuit Court receivership proceedings on Aug. 11 the petition presented to Circuit Judge Hamilton stated that the company's reserves had been impaired more than \$2,000,000, liabilities being listed at \$41,924,262.82 and assets at only \$39,909,799.43, in the examiners' report.

Charles G. Revelle and Emil Brill as counsel for the life company admitted the correctness of the state's petition and the impairment of the company's capital stock "to such an extent and in such manner as to authorize and warrant the appointment of the state superintendent of insurance as receiver."

President Toombs, who had promised to meet the insurance commissioners in St. Louis on Aug. 10 when they reconvened to receive the report of their examiners, and "explain everything," failed to put in an appearance. His attorneys stated that he would positively appear in St. Louis for the stockholders meeting Aug. 13. This was prior to his temporary arrest in Chicago and his subsequent agreement with Circuit Attorney Sidener to return to St. Louis Aug. 13.

Just prior to his detention in Chicago, Toombs was preparing to depart from

that city. He explained that he planned a visit to Kansas City to consult with his personal attorney, Charles M. Howell. Walter K. Chorn of Kansas City, also counsel for Toombs, departed for Chicago Aug. 11 to confer with his client. Toombs has not conferred with any of the examiners or commissioners since July 24, when he admitted he was not then in a position to comply with their demands. In this connection the commissioners have explained that the first reports that Toombs was given until Aug. 10 to answer were erroneous.

In his receivership petition Massey Wilson charged President Toombs with being responsible for the troubles of the International Life. This suit was directed against the holding company, the International Life, Toombs and the secretary of the holding company. It went into the details of the purchase of the holding company by Toombs, and continuing, charged:

"Taking advantage of said control, he (Toombs) has fraudulently and unlawfully appropriated and converted to his own use, and removed from safe deposit boxes and vaults of said company, and sold, pledged and hypothecated to persons unknown to these plaintiffs, about \$3,500,000 of assets of said International Life, and has to said extent depreciated the value of the capital stock of the International Life owned by said International Company."

Disposed of Assets

"He has also converted and disposed of, to his own use, a large portion of the remaining assets of the International Life and has rendered no consideration or value to the International Company for his disposition of its property."

"After Toombs acquired control and up to this date, he has proceeded and is proceeding, continuously, fraudulently and unlawfully, and with the consent, connivance and permission of officers and directors of International Company to convert to his own use, and to sell, pledge and hypothecate for his own purposes at least 12,000 shares of the said life insurance company, which is the principal asset of the said International Company."

The Circuit Court petition also touched on the disappearance of the \$3,500,000 in cash and securities as having been "removed, abstracted and made away with; and upon repeated demands of the representatives of the plaintiff has not been and apparently cannot be replaced or restored." This petition also referred to other investments as not being legal and still others carried on the books at more than their true worth.

Original Controversy Recalled

Developments in the examination of the International Life have recalled the original controversy between Superintendent of Insurance Charles R. Detrick of California and the Missouri insurance department relative to the demands of the California commissioner for an examination of International Life and the Continental Life, both of St. Louis.

Examination of the Continental Life was completed just prior to the opening of the International Life audit. The report of the Continental Life will be released by the Missouri department within the next few days and will show that company in sound condition and under capable management.

The original charge of Commissioner Detrick concerning alleged interlocking loans between the International Life and the Continental Life and other St. Louis insurance companies has not been sustained.

The present cause for concern in the affairs of the International Life was a development that took place many months after Commissioner Detrick's original demands. While this is true, St. Louis insurance men are not inclined to question Commissioner Detrick's sincerity, although some have questioned the wisdom of openly airing his troubles with the Missouri department.

Tell Me—Is This a "Rotten" Ad?

... My "Boss" said it was . . . but, I'm going to "leave it to you." . . .

You're not going to write Insurance for any Company, unless they have what you want, and know you need, are you?

Of Course, We Have

"Everything Under the Sun"

. . . And then some, for instance . . .

1. Non-Medical
2. Monthly Premium
3. Juvenile Policies
4. Payor Insurance
5. Salary Savings
6. Participating
7. Non-Participating
8. Sub-Standard
9. Female Insurance
10. Sales Promotion Dept.
11. Educational Course
12. Direct Mail Advertising
13. Salesman's Folio
14. School for General Agents
15. Accident and Health



Abraham Lincoln Life Insurance Company

SPRINGFIELD, ILLINOIS



H. B. HILL, President
F. M. FEFFER, Vice-President
and Agency Manager

Here is my name . . .
Address . . .
City . . .
Write and tell me
how your men do
it. Of course, I am
interested.
N.U.L.

MR. AGENT

Do you care for QUALITY?
Age, Sound Experience,
Low Cost, a Splendid Record
for over 67 years?

Then why not take
a General Agency for

THE ST. LOUIS MUTUAL LIFE

Our Agents and Policy Holders
Stick! Write:

Agency Department

3640 Washington Ave.
ST. LOUIS, MO.

ment prior to the opening of the convention examination of the St. Louis companies. That Commissioner Detrich has been vindicated is the view of the man on the street in St. Louis. Public opinion is favorable to him and St. Louis newspapers have editorially complimented him for his courageous stand while bitterly scoring the Missouri department for permitting the apparent conditions in the affairs of the International Life to develop.

SUPERINTENDENT BEHA ASKS RECONSIDERATION

(CONTINUED FROM PAGE 3)

conditions that have developed in the field in recent years which are not recognized as potential enemies to the business and which should be eliminated in some such orderly way, rather than by force of public opinion. Vice-President Luther of the Aetna, President Henry Moir of the United States Life and many others prominent in agency and actuarial ranks are quoted in support of his views.

The national aspect of the question is shown by reference to the activities of agents and associations throughout the country, the organizations in California and Nebraska in particular having gone

on record in support of the agents' opposition to the changes.

Agents' Position Explained

The stand of the agents is shown in a letter received from Julian S. Myrick as chairman of the special committee of agents which conferred with the actuaries. In reporting to Mr. Beha on the progress of these conferences, this committee stated that it agreed with the underlying principle of limitation of company expenses, but it felt that it would be impossible to substitute an entirely new technical standard or measuring rule for the present one, without a serious disturbance to the life insurance business. Of several changes proposed, the committee urged consideration of three. To permit non-participating companies to reduce their rates, to remove the artificial discrimination in expense loadings between the different policies issued by non-participating companies, and to limit first-year commissions to a maximum of 55 percent. It was also suggested that Section 96, which it regards as an uneconomic regulation and check on the business, be repealed entirely instead of amended. This is the section limiting annual additions of new business.

HIRAM T. LEWIS MUTUAL OF NEW YORK MEN MEET

(CONTINUED FROM PAGE 8)

perpetual action, and the results of his work demonstrate his belief.

The program was practically completed in an address by Robert E. Spaulding, one of the Chicago managers. He spoke on "Fundamentals of Life Insurance." While Manager Spaulding confined himself practically to an actuarial discussion of life insurance procedure, he invested it with a personal charm that was infectious, and at the conclusion of his demonstration he was compelled to hold a round table to meet questions from the agents.

Lewis Last Speaker

Manager Lewis closed the program of the meeting, adding a word of appreciation to his associates for their loyalty. He announced at least one new feature of the company helpfulness in the forthcoming establishment in Minneapolis as well as in all managing agencies of a department of real estate loans which will be operated separate

from the agency itself, but will cooperate in business development of Minneapolis and the northwest. The minor details of the day's program closed with round table discussion of practical matters in field operations and the session terminated Friday morning with a meeting of district managers, when plans were developed for future field operations.

An address by Dr. Roy L. Smith at the banquet was typical of the sound and wise counsel given by this well known lecturer and minister. He stressed the need of loyalty to the work in hand and that sense of self respect which is adherent in every red blooded man and woman who seeks to accomplish their duty.

Commercial Life Grows

The Commercial Life of Edmonton, Alta., which is one of the young Canadian companies, reports over \$10,000,000 of business in force. For the first half of 1928, new business was \$1,670,489, compared with \$1,031,868 for the first half of 1927.

Canadian Company Erects Annex

The Great West Life recently acquired additional ground adjacent to its head office building in Winnipeg, and has erected a two story annex to relieve congestion in office space.

Conservative Life Leaders

The Conservative Life of South Bend, Ind., shows the leaders for the year as follows: Joint results: Superintendent Frank Rembley, Indiana Harbor, Ind.; Agent John Yuhasz, Gary No. 1. Net placed ordinary: Superintendent Frank Rembley, Indiana Harbor; Agent Joseph Martin, South Bend No. 2. Ordinary increase: Superintendent Frank Rembley, Indiana Harbor; Agent Joseph Martin, South Bend No. 2. Monthly premium increase: Superintendent Harry L. York, Wyandotte, Mich.; Agent J. T. O'Connor, Wyandotte, Mich. Collection percent: Superintendent Frank Rembley, Indiana Harbor; Agent J. K. Allen, Wyandotte, Mich. Arrears percent: Superintendent T. C. Swaisgood, Muncie, Ind.; Agents Louis Balogh, South Bend No. 1; Joseph Martin, South Bend No. 2, and Alex Czajkowski, Indiana Harbor, tied. Advance payment: H. O. Johnson, home office; Agent Daniel Jadron, Gary No. 2. Percentage of lapse: Superintendent Martinus Vink, South Bend No. 2.

Elmer S. Albritton, vice-president and manager of agencies for the Southern State Life, was a recent speaker before the Atlanta Association of Life Insurers.

85 Years of Life Insurance Ideals and Service!

An ideal became a reality when, on February 1st, 1843, "THE MUTUAL LIFE OF NEW YORK" issued its first policy. The business of life insurance on the mutual plan started in America then and there.

Priority in its field is not the Company's claim to greatness—age in itself is no great distinction. THE MUTUAL LIFE began with high ideals of business conduct, which still prevail. It aims at quality and to be highly honorable in all its dealings.

In its relations with policyholders and their representatives THE MUTUAL LIFE has an outstanding record.

Those who contemplate life insurance soliciting as a career are invited to apply to

The Mutual Life Insurance Co. of New York

DAVID F. HOUSTON
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GEORGE K. SARGENT
2nd Vice-President and Manager of Agencies
NEW YORK, N. Y.

Eureka-Maryland Assurance Co. OF BALTIMORE, MD.

Incorporated Under the Laws of Maryland, 1882

WE ISSUE

STANDARD ORDINARY AND INDUSTRIAL POLICIES

J. N. WARFIELD, President
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The best in Life and Casualty contracts.
Liberal Commissions, Non-forfeitable Renewals.
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This is the oldest Life, Health and Accident Company in the Northwest. Assets and surplus have been substantially increased by energetic new management.

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706-10 Plymouth Bldg., Minneapolis

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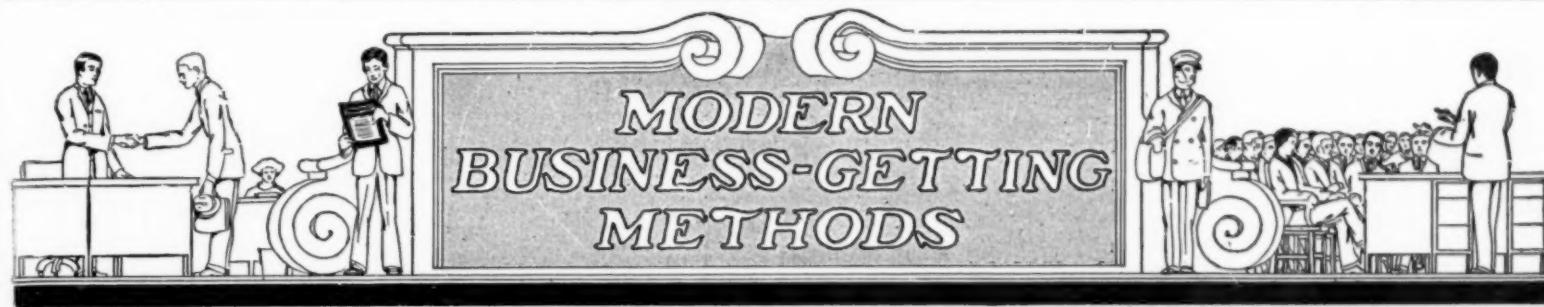
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HOME OFFICE: LINCOLN, NEBRASKA

OFFERS VERY LIBERAL CONTRACTS TO AGENTS

ADDRESS APPLICATIONS TO B. R. BAYS, PRESIDENT



Experienced Producer Tells Necessity of Agents Having Clear Conception of Policy Contract Before Presenting It

BY A. E. MIELENZ,
General Agent Actae Life, Milwaukee

SOME years ago when employed as a clerk in a hardware store, my employer was called on by a man who made a lasting impression on my young mind because he was what I would call a "super" salesman. He was selling a line of heating stoves. His stove was not of the gaudy, elaborately nickel-trimmed kind, but rather a plain, modest pattern. In making the sale, he seemed to have a sales talk so framed as to give the buyer a thorough picture of what his stove was; what it would do, and how it would meet the needs of the buyer.

The value of a sales talk, then, as applied to the sale of life, accident or group insurance is primarily dependent on the clearness in the mind of the agent of the picture of the policy contract.

The salesman must see every phase of the policy so clearly that he will not alone be dependent on memorizing the sentences and words of the sales talk,

but rather that a clear understanding of the essential features of the policy will bring to his memory the words of the sales talk, which should always be gauged to best meet the understanding of the person interviewed.

If he has not used a well thought-out sales talk, but flounders around at random, his chance for an immediate sale will have been greatly lessened, will not have made the favorable impression on the prospect, will not have gained confidence. In all probability he will have closed the door on himself to a welcome return call.

Basing a sales talk on a clear knowledge of the policy and what it will do is advisable because first, it reduces the chance of a loss of sale and, second, it gains the confidence of the prospect and convinces him that the agent knows his business.

Now, as to the use of a sales talk: The new agent who makes a systematic campaign for business introduces himself

as the representative of his life insurance company, and offers his assistance to those he calls on to help them secure life insurance. He very soon finds out that about 99 out of 100 have all the insurance they want; have more now than they can pay for; are worth more dead than alive; and if they did take any more they would buy it from agent Jones, who has called on them 50 times, and to whom they promised to give their insurance.

Sales Talk Opens Way to Interview

The use of a sales talk is to open the way to an interview, not so much to write insurance as to present a financial plan which will help a man meet some of his problems.

The use, therefore, of a well-worked-out sales talk is to have in mind what our several contracts can do to solve the various problems with which people are confronted, then to present the plan that will meet the particular need of the individual. With the help of the company's splendid merchandising plan material, folders, presentations, etc., you can work out your own sales talk on each of the various coverages.

A sales talk is valuable when it is well thought out, with a clear picture in mind of the contract presented. It is useful in bringing to the prospect a

definite program to meet his problems and financial objectives.

How Mr. and Mrs. Carns Work Together as a General Agency Team

M R. and Mrs. John R. Carns are general agents of the Southern States Life at Birmingham, Ala. They both went to the company late in the summer of 1925. The original general agent under whom they started and another who succeeded him have dropped from the ranks, but they have stuck by the ship and are now general agents. Both Mr. and Mrs. Carns are enthusiastic life insurance people. In 1926 they paid for \$431,500, in 1927, \$307,250 and the first part of this year \$213,500. Both qualified for the Anniversary Club, the agency club of their company. About all their business is written jointly.

Was in Newspaper Work

Mr. Carns was engaged in newspaper work for a number of years. He took a policy in the Southern States Life and became interested in it through that means. His health became impaired in the course of his employment and he was unable to work for a number of months. He returned to newspaper

WANT A Thrill?

THEN join the Citizens National—now, when the company is new—and work with us to success. Get the success thrill!



The Citizens National Life began writing business June 30, 1927, and wrote and paid for to Dec. 31, 1927, \$1,251,000.00

There is real satisfaction in belonging to an organization that has its future ahead of it! And knowing that your cooperative efforts are valued and appreciated!

And there is a real thrill coming to you when each month you look back and realize that it has been another of increased profit and success.

If you are at present unaffiliated with any other life insurance organization why not write us for the whole story?

CITIZENS
NATIONAL LIFE INSURANCE CO. EAST ST. LOUIS ILL.
CITIZENS

J. G. BARDILL
President

GEORGE KABURECK
Sec. and Gen. Mgr.

UP TO DATE 1928 OPPORTUNITIES FOR THE RIGHT MAN

1. Ordinary Life \$500 Special Contract.
2. Personal Life Monthly Income for rejected risks.
3. The best and most liberal sub-standard facilities.
4. Children's policies for Educational purposes from Age 1 day to 18 years.
5. Total and Permanent Disability Clauses.
6. Double Indemnity clauses, paying double the face of policy in case of accidental death.

These and many other new and unique features make "The Columbia" attractive to men.

Address: S. M. CROSS, President

COLUMBIA LIFE INSURANCE COMPANY
Cincinnati, Ohio

BIG OPPORTUNITIES IN TEXAS WITH GREAT REPUBLIC LIFE INSURANCE COMPANY OF LOS ANGELES, CAL.

This Company has attractive General Agency openings in Texas at Houston, San Antonio, Amarillo and other points in the States. Very attractive first year and renewal commissions and exceptional line of policies. If you have a satisfactory record of successful experience and are interested in building a profitable future with a progressive Western company, communicate immediately with W. H. Savage, Vice President, Great Republic Life Building, Los Angeles, Calif., who expects to visit Texas about May 1 and will arrange to see you personally.

W. H. SAVAGE, Vice-President

Great Republic Life Building, 756 So. Spring Street
Los Angeles, California

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T. J. McCOMB COUNSELOR AT LAW CONSULTING ACTUARY Premiums, Reserves, Surrender Values, etc., Calculated. Valuations and Examinations Made. Policies and all Life Insurance Forms Pre- pared. The Law of Insurance a Specialty. Colcord Bldg. OKLAHOMA CITY

work, but was again forced to retire. He cast about for some occupation that would take him outside of an office. He turned to life insurance and having a policy in the Southern States Life he naturally was attracted to that company. He made a study of insurance and the Southern States Life policies for three months before making a decision to enter insurance. At the end of the time he felt it was the work which he desired. He prepared a large list of prospects and he launched at once on a successful career.

TWO FEATURES ARE SEEN

Mrs. Carns studied and prepared herself at the same time as her husband and has shared with him in all of his success. She at first concentrated on nurses, stenographers and other women employed while Mr. Carns devoted his work to business and professional men.

Mr. and Mrs. Carns have their office in the Comer building in Birmingham. Two features of their success are real concentration as to territory and personal service to policyholders and prospects. They operate in one county, Jefferson county, in which Birmingham is situated. They have written and paid for \$231,500 in the last 20 months in the Comer building in which their office is situated. On the floor on which their office is located they have written \$64,500. They seldom attempt to write business outside of a radius of three blocks from their office except as such prospects come to them voluntarily. Out of a production of \$953,000, \$509,000 has been produced in a radius of these three blocks. Many prospects come to their office.

WRITTEN BRIEFS ARE EFFECTIVE

Mr. Carns states that he has never yet failed to secure a single prospect for whom he has prepared a written brief, no matter how many other agents solicited him. They make a practice of helping others, particularly where doctors have trained nurses, etc. They assist stenographers and others in getting positions. They are putting people under obligations to them all along the line. Their renewal ratio has been 81 percent. Mr. and Mrs. Carns do not allow a policy to lapse if it is at all possible. Those that they lose move away and they are unable to get in touch with them or they have not the money. Both Mr. and Mrs. Carns attend the agency meetings of the Southern States Life and participate in them. They are vitally interested in what they are doing. They find that their greatest success consists in making an intensive canvass in close proximity to their office and holding the business on their books.

WEEK WILL BE BUSY FOR THE BIG MEETING

Plans are being made for the annual meeting of the American Life Convention in St. Louis at the Statler hotel, Oct. 8-12 inclusive. On the first day Oct. 8, the Legal Section will be held. On the second day the Legal Section will conclude its meeting and the Financial Section will have its conference. The golf tournament as usual will be held the first two days. On Oct. 10 and 11 will be the American Life Convention meeting proper with the executive session in the evening. On the last day the Agency Section and the Home Office Management Section will meet.

OPPORTUNITIES

Executive

Thoroughly experienced in conservation, mortgage loans, legal department, and education and training of agents. Capable of taking full charge. Age 38, married, wants position with progressive company. Address G-32, Care the National Underwriter.

Insurance Stock Quotations

Charles Sincere & Co., the prominent Chicago investment house, gives the following quotations:

	Bid	Asked
Aetna Casualty & Surety	1060	...
Aetna Fire	780	800
Aetna Life	850	865
Agricultural Fire	130	145
Alliance Insurance	69	73
Amer. Alliance	535	570
Amer. Equitable	32	34
Amer. Newark, ex rtes	25	26
Amer. Newark, rtes	2 1/4	2 1/2
American Reserve, N. Y.	85	...
Am. Salamandra	68	72
American Surety	287	295
Automobile, Hartford	380	400
Baltimore Amer.	79	81
Bankers & Shippers	570	...
Boston	1050	1150
Brooklyn	98	104
Buffalo	450	...
Camden Fire	28	28 1/2
Carolina	58	62
City of N. Y.	600	615
Col. National Life	390	405
Colonial State Fire	27	29
Commercial Casualty	52	55
Commonwealth	750	...
Conn. Gen. Life	1650	...
Continental Assur, ex rtes	100	...
Continental Assur, rtes	57	60
Conti. Casualty	71	74
Continental Fire	78	79
Detroit Fidelity & Surety	65	70
Fidelity & Deposit	185	195
Fidelity Phenix	80	81
Firemen's Fund	113	117
Firemen's, Newark, ex rtes	44 1/2	46 1/2
Firemen's, rtes	3%	1 1/4
Franklin Fire	370	390
Glens Falls	58	59
Globe & Rutgers	2490	2540
Great American Indem.	80	84
Great American	47 1/2	48 1/2
Halifax	44 1/2	46
Hanover Fire	77	79
Harmonia Fire	70	74
Hartford Fire	720	790
Hartford Steam Boiler	750	780
Home Fire, N. Y.	540	547
Homestead	40	42
Importers & Exporters	88	92
Independence Indem.	25	28
Ins. Co. of N. Am., ex rtes	69 1/2	71
Ins. Co. of N. Am., rtes	7 1/2	8 1/2
Inter-Southern Life	5.65	5.75
Kansas City Life	1100	1300
Lincoln, New York	87	95
Lloyd's Plate Glass	285	300
Merchants Fire com.	340	370
Do prfr.	126	...
Milwaukee Mechanics	43	45
Mo. State Life	94	96
Maryland Casualty	154	160
Mechanics	100	...
National Casualty	51	54
National Fire	1040	1075
National Liberty	88	92
National Surety	298	300
National Union Fire	315	330
New Amsterdam Cas.	71	72 1/2
New Brunswick Fire	57	59
New England Fire	47	53
New Hampshire Fire	540	550
New Jersey	88	91
New York Casualty	87	89
Niagara Fire	127	133
Northern	126	134
North River	324	334
Occidental Insurance	27	29
Pacific Fire	170	...
Pacific Indemnity	165	195
Pacific Mutual	92	94
Peoples National Fire	55	58
Phoenix, Ct.	770	790
Preferred Accident	580	580
Provident Wash.	680	700
Reliance	25	26
Rhode Island	340	370
Rossia	167	169
Security, N. H., ex rtes	122	132
Security, rtes	7 1/2	9
Southern Surety	34	36
St. Paul Fire & Marine	184	190
Springfield F. & M.	195	215
Stuyvesant F. & M.	290	300
Sun Life	1750	1850
Transportation Ins.	44	47
Travelers, ex rtes	1515	1515
Travelers, rtes	242	247
U. S. Casualty	390	405
U. S. Fidelity & Guaranty	415	418
U. S. Fire	100	104
U. S. Merc. & Ship	465	490
Vulcan Insurance	150	150
Westchester	87 1/2	89

National Guardian Convention

The National Guardian Life of Madison, Wis., will hold its agency convention at Kilbourn, Wis., Sept. 4-5. The guest speakers will be Jules Girardin, general agent of the Phoenix Mutual Life in Chicago; Insurance Commissioner M. A. Freedy of Wisconsin and Carl Slough of Cleveland, O. President George A. Boissard will speak at the annual dinner. Other company officials will give talks during the period of the meeting.

PRAISE BY DETRICK AT CLIC CLUB CONVENTION (CONTINUED FROM PAGE 11)

voting his entire time to directing the life insurance company, and added that he has absolutely no intention of selling out his holdings to other interests or merging with any other company.

The officers of the Clic Club elected at the convention are: Simon Selinger, Tulsa, Okla., president; Imm Jansen, San Francisco, Cal., first vice-president; J. M. Hensley, Golliad, Tex., second vice-president; J. V. Conatser, Dennison, Tex., third vice-president; Fred Blattner, Wellsville, Mo., fourth vice-president, and Ben Tolmich, Detroit, fifth vice-president. About 20 of the delegates to the convention were accompanied by their wives.

Meeting Called to Order by Vice-President Mills.

Address of Welcome by President Mills.

Presentation of the New Officers of Clic Club by Vice-President Mills.

Keynote Speech by Simon Selinger, President Clic Club.

Address by William King, a director of the Continental Life.

"What the Clic Clubs Means to Me," Imm Jansen.

"What a Successful Life Insurance Man Must Be and Do," Ben Tolmich.

"The Romance of Life Insurance," E. S. Davis.

"Illustrative Sales Interview," by J. E. Musgrave.

"Program Life Insurance," W. A. Harn.

"Selling the Big One," M. M. Brown.

"The Life Insurance Counsellor's Problems and Rewards," W. B. Harn.

System vs. Chance in Life Insurance Work, Nathan Benedict.

"The Town and Rural Agency," by J. M. Hensley.

"The Prospect File, Its Uses and Abuses," A. J. Westermeyer.

At 1:15 p. m. Monday a luncheon was given to the delegates and guests. The principal address was on "Economic Aspects of Life Insurance," by Claris Adams, secretary and general counsel of the American Life Convention.

TUESDAY, AUG. 14

Called to Order at 9 a. m. by President of Clic Club.

The Selection Committee. A round table discussion and questionnaire led by Dr. C. R. Dudley, medical director, and J. P. Oliver, Actuary.

"Handling Objections," by Frank M. See, General Agent Union Central Life.

"My Hardest Sale," by F. L. Donovan and F. M. Link.

"My Quickest Sale," by Fred W. Mudd and J. V. Conatser.

"My Most Gratifying Sale," by C. C. Dudley and E. A. Wood.

"Do They Stay Sold? The Agent's Part in Preventing Lapsation," Fred Blattner, Jr.

"Endowment Insurance: Its Place in the General Scheme," C. K. Seibert.

"Selling the Professional Man," George C. Lilly.

"The Insurance Department," by Robert E. Daly, actuary Missouri department.

"Examination of Your Company," by S. M. Saufley, Kentucky commissioner.

"Stepping Stones of My Life Insurance Career," Carl Miller.

"Agency Management Plus Personal Production," by R. J. Ferriman.

"Our Company," C. J. Klitznard.

At 1 p. m. luncheon was served in the Palladio room of the hotel, Bob Sharp presenting some painless magic.

The entertainment program on Monday included a bridge party for the ladies at 10 a. m., an automobile tour of the city beginning at 2 p. m., including trip through the Lindbergh trophies in Jefferson Memorial, a picnic supper at Van Horn's farm at 5 p. m., and a visit to the St. Louis municipal theater in Forest Park in the evening where the delegates, their ladies and other guests enjoyed the light opera "Mary."

On Tuesday the entertainment and social features included shopping tour for the ladies at 10 a. m., a visit to Sportsmen Park in the afternoon to witness a game between the St. Louis Cardinals and the Boston Braves, led by the famous Rogers Hornsby. In the evening a dinner and dance was given on the excursion Steamer J. S.